

France, U.K. Pick Rail Link

Leaders Will Announce Plan Today in Lille

By Bob Hagercy
International Herald Tribune
LONDON — France and Britain have agreed to approve the construction of a rail tunnel beneath the English Channel to connect the two countries, sources close to the negotiations said Sunday.

President Francois Mitterrand of France and Prime Minister Margaret Thatcher of Britain are scheduled to announce the decision Monday morning in the northern French city of Lille.

The rail tunnel project was chosen over two other leading contenders, the sources said. Both of those plans would have allowed cars to drive through without loading onto a shuttle.

The British government had been eager for a drive-through tunnel, but the two sides apparently settled on a proposal from Channel Tunnel Group Ltd. and its French partner, France Manche SA, as the most acceptable compromise.

Officials had raised questions about the expense and technical feasibility of the other two plans. The winning project is widely regarded as both the safest and the least exciting option.

The 30-mile (50-kilometer) tunnel, connecting points near Folkestone, England and Calais, France, would be built by the British-French consortium at an estimated cost of \$3.3 billion. Channel Tunnel and France Manche are owned by a group of banks and construction companies.

The plans call for a twin-bore tunnel that would handle both passenger trains and a shuttle train to carry cars and other vehicles. Channel Tunnel has said the project would allow for a train journey of 3 hours and 15 minutes between London and Paris, assuming that France's high-speed TGV line is extended to the channel coast. The fastest surface trip now, by rail and aircraft, lasts more than five hours.

Both governments view the project as a means of creating jobs. France also sees it as an opportunity to attract business to its depressed north.

At the same time, many Britons fear that traffic generated by the project will mar the prosperous southeast county of Kent.

Channel Tunnel and France Manche have lined up commitments for bank loans to finance the tunnel, which they would own and operate under a concession from the governments.

Construction could begin as early as mid-1987 and is expected to take five or six years.

Transportation ministers from the two countries chose the winning project Thursday night after weeks of negotiations.



About 200 Ku Klux Klansmen marched in Raleigh, North Carolina, to protest the holiday honoring Martin Luther King Jr.

In U.S., Blacks Take a Self-Critical View



Blacks countered a Ku Klux Klan march in Pulaski, Tennessee, by taking up the rear and shouting their own slogans. At the end of the march, they sang 'Happy Birthday' to the Reverend Martin Luther King Jr.

By Keith Richburg
and Paul Taylor
Washington Post Service

DETROIT — Here in the largest majority-black city in the United States, a black middle class coexists with an entrenched underclass, and an emerging group of black professionals follows the path of affluence to the suburbs.

Four days of interviews with blacks from all of these walks of life, conducted just before Monday's first national observance of the birthday of the Reverend Martin Luther King Jr., the civil rights leader who was assassinated 18 years ago, revealed attitudes that were surprisingly self-critical.

Asked why so many blacks remain stuck at the bottom of the economic ladder while others have marched into the economic mainstream, mayoral offices and council chambers, many blacks in Detroit cited racism and structural changes in the economy. But they frequently cited failings of blacks themselves.

Discussion of the collapse of the family structure in the black ghetto, about wretched violence, dependency, alienation and self-loathing — all taboo topics during the "black-is-beautiful" era of the late 1960s and early 1970s — flowed freely in the interviews.

"It's sad what we're seeing in our community in terms of the teen-age pregnancy, in terms of the dope, in terms of the high school dropouts," said Kenneth Cockrell, Detroit's leading black activist in the 1960s and 1970s and now a successful criminal lawyer.

"We have in the black underclass a culture of defeatism that says you can't even compete and don't even

better, so we're left to prey on our own," he said. "We're now at the point where in the eyes of white people, our moral capital has been squandered."

Vera Brown, a student at Wayne State University here, said, "A lot of the young girls just want to have babies to get a bigger check" from the welfare department. "And then they don't spend the money on the

Black in America
A Generation After King

First of three articles

kid, they spend it on themselves. You see these young mothers wearing gold and designer jeans."

Sandra Gary, a divorced mother of three who is taking a machinists training course, said that "when a few blacks" do succeed, "instead of them trying to help those that they left behind, they sell us out, sell us right out."

"There used to be a reluctance to talk about these things," said Donald Woods, president of the Detroit Urban League. "The fact that we are starting now is progress in itself."

Many blacks also are beginning to seek solutions to their problems in themselves and not in the government, whose motives and abilities appear suspect to them.

That attitude is captured in three posters in the lobby of the Urban League office on the edge of the city's East Side ghetto. None of them mention domestic budget cuts, affirmative action, civil rights enforcement or the other debates that consume official Washington.

The posters said: "Don't Make a Baby if You Can't Be a Father."

"Blacks Killing Blacks Is the Leading Cause of Death Among Our Young People" and "You Change a Life," a call for blacks to volunteer in a Big Brother-type program for inner-city youth.

As blacks focus on what Mr. Woods calls "internal development," they also worry about the economic gap that they see growing within their community between those who are making it and those who aren't.

"We're seeing an increase in the estrangement between the 'buppies,' as black urban professionals are called, and the people in the underclass," Mr. Cockrell said.

But a more cynical view, widespread among all economic classes of blacks, holds that white racism will always overwhelm black assimilation.

"Americans have grown comfortable with racism," said U.S. District Court Judge William G. Lipscomb Jr. "People have become a little smoother about it, a little more polished about it."

"But every day you step out that front door, if you don't think you're going to have to survive racism that day, you're mistaken," he added.

Coleman A. Young, Detroit's four-term mayor, is blunter. "A black might be middle class and a black might make it, but a black can never escape racism. Blacks have historically tried to escape their blackness but racism has always driven them back."

When Mr. Young became Detroit's first black mayor in 1974, it was a city of 1.4 million with roughly equal numbers of blacks and whites. The races were still polarized by racial tensions that had

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Rebels Appear to Succeed In South Yemen Revolt

Rescue Ships Take 3,200 From Aden

By Dina Marar
Reuters

BAHRAIN — Hard-line Marxists in South Yemen appeared Sunday to have succeeded in removing President Ali Nasser Mohammed, and Aden Radio said that the country would strengthen its ties with Moscow.

South Yemen's links with the outside remained cut and there was no indication of which side was in control in Aden. Troops loyal to Mr. Nasser Mohammed have fought rebel forces of Abdul Fatah Ismail, a former president, in Aden since Jan. 13.

The fighting involved tanks, gunboats and warplanes and forced an evacuation of 3,200 foreign nationals by Soviet cargo ships and the British royal yacht Britannia to Djibouti over the weekend.

Press reports in Abu Dhabi reported that 7,000 to 9,000 persons had died or had been wounded in the fighting, but there was no independent support for the claim.

In Aden, Ethiopian television said that Mr. Nasser Mohammed, who was reported to have arrived in the capital Saturday night, left to return to South Yemen. The television report said that he had met with the Ethiopian leader, Lieutenant Colonel Mengistu Haile Mariam.

Sources in San'a, capital of North Yemen, said that it was believed that Mr. Nasser Mohammed had flown from Aden to the North Yemen town of Ta'izz and then to Aden.

The sources said that North Yemen's leader, Ali Abdullah Saleh, had been in Ta'izz, 50 miles (80 kilometers) from the border with South Yemen, for several days. Mr. Nasser Mohammed was expected to return to Ta'izz before making a further move, they said.

Mr. Nasser Mohammed has left Ethiopia for Moscow, United Press International reported from Cairo, quoting the semi-official Al-Ahram newspaper.

San'a Radio quoted an official statement as saying a peace committee meeting in the Soviet Embassy in Aden had agreed on a truce. The North Yemen news agency reported that all parties had stopped fighting. The truce could not be confirmed independently.

Diplomatic sources and press reports in the Gulf said last week that Mr. Nasser Mohammed had been shot and wounded by a former vice president, Ali Ahmed Nasser Antar, when fighting broke out Monday. Mr. Antar was one of three other leaders of the rebellion initially said by Aden Radio to have been executed with Mr. Ismail.

Aden Radio, monitored by the Qatar news agency, indicated Mr. Nasser Mohammed, 49, had lost

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An officer aboard the yacht Britannia carries a child who was among 3,000 people evacuated from Aden to Djibouti.

Aquino Rally Disrupted By Grenade, Firecracker

By Seth Mydans
New York Times Service

MANILA — A hand grenade and what was believed to be a loud firecracker disrupted a rally held Sunday by Corason Aquino, the opposition presidential candidate, in a southern city, but police reported that there were no serious injuries.

According to reports from the scene in Zamboanga City, the grenade exploded first, about 150 yards (about 135 meters) from the rally. The apparent firecracker exploded shortly afterwards, and some persons in the frightened crowd were said to have shouted, "Bomb, bomb."

The rally was soon ended. Mrs. Aquino told a reporter she had not been aware of the incident until the rally was over. "If it was meant to frighten me, I am not going to be," she said. "I will continue my campaign as before" for the Feb. 7 election.

Although there have been some disruptions, this was the first violent incident at one of Mrs. Aquino's rallies.

The incident came as a godsend of Mrs. Aquino who was one of her local campaign organizers was buried near her hometown of Iloilo. He was killed by armed militiamen last Wednesday in what was apparently the first political killing of the campaign.

The supporter, Jeremias de Jesus, had earlier complained of threats from local supporters of President Ferdinand E. Marcos. He and a driver were killed, and two other passengers injured, when shots were fired into their car.

Two of Mrs. Aquino's earlier rallies on her current southern swing have been disrupted in less violent fashion.

At one evening speech in the town square of General Santos City the power was cut four times.

At another rally, members of a crowd estimated at 30,000 dived for cover when someone shouted, "Grenade, grenade." Supporters who were with Mrs. Aquino on the stage gathered close to her to protect her.

Mr. Marcos was reported Sunday by the official Philippines News Agency to have instructed to a campaign rally in the Negros Island city of Dumaguete that Mrs. Aquino might stage a violent incident to try to gain sympathy.

"There are stories going around Manila that the opposition is preparing to stage a false ambush and mock kidnapping" of Mrs. Aquino, Mr. Marcos was quoted as saying.

Reporters at the scene described the president, who appears lately to have been ailing, as pale, weak and hoarse. They said his hand, which was somehow scratched three days ago, was still bandaged.

Mr. Marcos said in a speech to 4,000 people Saturday that he was in good health despite bleeding from his hands and his visible weakness at earlier campaign stops.

He acknowledged that he had "bled profusely" at a campaign appearance Thursday but said it was the result of shaking hands.

His left hand was heavily bandaged, with only three fingers visible. According to some reports from the scene, it was his right

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Japan, Soviet Discuss Kuril Dispute; Will Renew Talks on Peace Treaty

By John Burgess
Washington Post Service

TOKYO — Japan and the Soviet Union said Sunday that they have resumed negotiations, after eight years, toward a peace treaty that would formally terminate the state of war between the two nations.

Japanese officials said the talks were possible because the Soviet Union had backed off from a long-standing stance of refusing to discuss Japan's claim to a group of islands in the Sea of Japan.

Soviet officials said there had been no change in their government's position that the islands were not to be returned.

It is unlikely that the talks will bring a future to the relations of the two countries.

Nevertheless, the resumption was hailed by both nations as a step forward in a détente that has developed since Mikhail S. Gorbachev

came to power in Moscow in March.

The announcement of the resumption of talks grew out of five days of consultations in Tokyo that the Soviet foreign minister, Eduard A. Shevardnadze, completed Sunday.

"The reality is that this time with Shevardnadze we negotiated the territorial issue," said Japan's foreign minister, Shintaro Abe.

Mr. Shevardnadze said Sunday that the two sides had had "heated discussions" on the issue.

But he also said that he had reaffirmed the Soviet Union's position that it has historical and legal rights to the four Kuril Islands, off Japan's northern coast, and will not return them.

It's "a compromise," said Mikhail B. Efimov, chief of the Tokyo branch of the Soviet government's Novosti Press Agency. "In previous years, we didn't discuss the territorial issue because we didn't acknowledge this issue existed."

Japan and the Soviet Union fought each other briefly at the close of World War II. They normalized diplomatic relations in 1956 but, despite periodic talks, have never signed a peace treaty.

Japan says it will never sign a treaty unless provisions are made for the return of the islands. It says the islands are traditionally part of Japan.

A joint communiqué released Sunday said that the treaty discussions were being based on a 1973 joint statement by the countries' leaders at the time. Kakuei Tanaka and Leonid I. Brezhnev. It referred to "unresolved questions" remaining from World War II that would be solved as part of a peace treaty.

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Eduard A. Shevardnadze at a press conference Sunday.

The Russians, however, deny it. "No one from our side ever said anything about this verbal promise," said Mr. Efimov.

Japanese officials said Sunday that the reference to the 1973 agreement represented a victory; they contended that the Soviet Union, in citing the agreement, acknowledged Japan's claim.

Russians Say Arms Plan Contains New Approach

By Serge Schmemmann
New York Times Service

MOSCOW — Soviet officials have confirmed that the package of arms proposals offered by Mikhail S. Gorbachev last week included a new approach to the elimination of medium-range missiles in Europe.

The officials, Georgi M. Korniyenko, a first deputy foreign minister, and Leonid M. Zamyatin, the head of Central Committee's International Information Department, and Marshal Sergei F. Akhromeyev, chief of the general staff, discussed the arms proposals at a news conference Saturday.

The proposals, announced Wednesday, included a three-stage plan for elimination of the world's nuclear weapons by the year 2000.

It incorporated existing Soviet positions but also introduced new elements.

Chief among the new points in the Soviet proposal is a call for the destruction of Soviet and U.S. medium-range missiles deployed in Europe, together with a freeze on British and French arsenals. The Russians previously insisted on keeping enough SS-20 missiles to counter the British and French forces.

The Soviet officials said the proposals signified no change in opposition to President Ronald Reagan's space-based missile defense plan, the Strategic Defense Initiative.

Mr. Gorbachev had said that progress in arms control was possible only if the United States renounced the "development, testing and deployment" of space weapons, and some U.S. officials had shown interest in the fact that the statement made no mention of research.

Mr. Korniyenko explained that the Soviet Union was not talking of banning "basic research." But, he added, if any research "becomes goal oriented or directed specifically toward designing or developing a weapons system, then we would certainly be talking about an element of the process of developing a particular kind of weapon."

Mr. Korniyenko confirmed that the elimination of the Soviet and U.S. missiles was not conditional on cuts in the British and French forces.

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U.S. Debating Proposals to Abduct and Try Terrorist Suspects

By Stephen Engelberg
and Jeff Gerth
New York Times Service

WASHINGTON — The Reagan administration has been debating several proposals to abduct suspects in terrorist attacks on Americans abroad and bring them before U.S. courts, according to administration officials.

Senior officials have declined to approve the plans, but the administration is continuing to consider the idea, officials said.

For example, they said, the Central Intelligence Agency and the U.S. Marshals Service are preparing a contingency plan for seizing several people in the Middle East who have been implicated by U.S.

authorities in two recent terrorist actions.

Abraham D. Sofaer, the State Department's legal adviser, would not comment on the government's internal debates. But he said he was prepared to support the "seizure" of fugitives in other countries if the chances for success were reasonable.

He acknowledged that such a move would violate international law but said there were legitimate arguments in favor of "bending" the rules in extraordinary circumstances.

"It may well be we would have an opportunity to do something where innocent people weren't threatened, where our own forces, whoever was sent in to do the job,

had a reasonable chance of success," Mr. Sofaer said.

A committee of the National Security Council has debated the issue several times and each time has rejected proposals for arresting terrorists abroad, officials said.

The objections to the operations included fears about the precedent that would be set, uncertainty over the effect on the countries involved and the reaction of the European allies. In addition, officials acknowledged that there was a high risk of something going wrong.

The extradition of fugitives has long been a matter of dispute, even

between friendly nations. An action defined by one nation as terrorism is sometimes seen elsewhere as political expression protected by the law.

Following a rash of terrorist incidents in the last three years, the Reagan administration has pushed to apply legal sanctions to terrorists. Administration officials have supported laws that would apply U.S. criminal statutes to assaults on Americans abroad, and they have used federal grand juries to investigate the major terrorist attacks.

In fact, terrorists have been largely successful in avoiding punishment by courts anywhere.

The cases under investigation here include what are believed to be

the abductions of six Americans missing in Beirut in the last two years; the hijacking of the Italian cruise ship Achille Lauro last October; the shootings at the Rome and Vienna airports on Dec. 27; the bombings in 1983 of the U.S. embassies in Beirut and Kuwait; and the hijacking of TWA Flight 847 last June.

The only publicly announced action has been the issuance of arrest warrants for three men believed to be the original TWA hijackers, although there may be other charges or warrants that are being kept under court seal, officials said.

The major U.S. success in apprehending terrorists has been in the

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As African Famine Eases, U.S. Asks Why Aid Failed

By David B. Ottaway
Washington Post Service

WASHINGTON — The great African famine of 1984-85 has abated, but it has left a bitter legacy of rearmaments and soul-searching in the United States over why billions of dollars in American aid failed to avert the catastrophe.

Frustrated conservatives and liberals alike are searching for an approach to economic development in Africa that would effectively combat the disasters that are wrought by nature, man and the continent's poverty.

Seizing on the famine and signs of a greater African willingness to undertake reforms, the Reagan administration is pressing the continent's leaders to adopt its doctrine of free enterprise and to end heavy-handed state involvement in Africa's farm economies.

This development strategy has emerged just as the U.S. government approved more than \$50 billion in subsidies and other programs over the next three years to prop up American farmers.

The strategy calls upon Africa to end government subsidies, as well as market and price controls, in order to spur agricultural production and food self-sufficiency.

The billions of dollars that the U.S. government pays in domestic farm subsidies are intended mainly to provide farmers with adequate prices. The subsidies provided by Third World governments are primarily aimed at keeping consumer

food prices low to assure domestic tranquility and political stability. Because of the shift in U.S. policy, the Agency for International Development has come under attack from Republican conservatives, some moderate Democrats and big business for laxness in

A decade ago, after the last great famine in Africa, Western donors led by the United States through similar soul-searching. They produced a host of studies, created new development theories and concentrated their funds and efforts on the worst affected na-

tion, only to witness a devastating famine last year. "Sub-Saharan Africa's grim economic situation today," the U.S. Central Intelligence Agency reported in February, "is testimony to the failure of over two decades of development effort by African governments, donor countries and international organizations."

The report predicted the outlook for Africa would be "bleak for the remainder of the decade." In September, six Republican senators led by Senator Jesse Helms of North Carolina wrote President Ronald Reagan demanding an overhaul of the U.S. foreign assistance program.

They charged that the Agency for International Development had "totally failed" to carry out the president's promised "economic

Overseas Private Investment Corp. assume "primary responsibility" for private-sector development in Third World countries. Meanwhile, various private groups and development specialists have urged a new pact between Western donors and repentant African governments to assure additional outside aid in return for long overdue economic reforms.

Underlying many of the proposals is a recognition that donors may have contributed to Africa's plight. In a review of past U.S. approaches to development, a recent report by the Council on Foreign Relations and the Overseas Development Council noted that "most donors, including international institutions, have jumped from one fad to another to justify development expenditures."

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— Report by the Council of Foreign Relations and the Overseas Development Council

Sudan Seeking Support Of Soviet to End Strife

By Jonathan C. Randall
Washington Post Service

KHARTOUM, Sudan — Sudan is sending a government delegation to Moscow this week in an attempt to enlist Soviet diplomatic support to help end the renewed civil war in the south.

Headed by Lieutenant General Tariq Abdallah Fadi, deputy chairman of the ruling Transitional Military Council, the delegation is to ask the Kremlin to talk to its Marxist allies in Ethiopia about stopping their aid to the rebels in southern Sudan, according to officials.

Although the Foreign Ministry has favored improving relations with Moscow ever since President Gaafar Nimeiri was overthrown in April, the Moscow mission was delayed two months ago at Soviet request and for fear of exacerbating already strained relations with Washington.

Mindful of the need to reassure the Reagan administration, whose aid is considered vital, a Foreign Ministry official said, "Whatever happens with relations with the Soviets, our relations with the West, and especially the United States, will be at a higher level."

The Soviet request for a delay reflected what Western diplomats here consider the Kremlin's problem: a desire to improve relations with Sudan without endangering ties with Ethiopia, Moscow's staunch ally in northeast Africa.

For General Tariq and the civilian ministers traveling to Moscow, the mission marks not just a determination to demonstrate Sudan's new nonaligned stance, but a tacit admission of its failure to negotiate successfully with the Ethiopian-based Sudan People's Liberation Movement.

Sudanese diplomats described the Moscow mission as a logical step in testing possible Kremlin leverage on Ethiopia, the rebels and such Soviet allies as the Cubans and East Germans, who have reportedly aided the rebels.

Reflecting a growing pessimism, Sudanese officials said they doubted the Moscow mission would bear fruit before April elections here. The rebels, led by John Garang, a U.S.-educated former colonel, played a major role in weakening General Nimeiri's 16-year rule.

Mr. Garang has refused to deal

with the transitional rulers on the ground that they are the former ruler's heirs.

Sudan's success in persuading Libya to stop aiding the rebellion had raised hopes of a quick end to the war, which broke out again in 1983 after more than a decade of peace. From 1955 to 1972, the Christian and animist blacks of southern Sudan had rebelled against the Arab and Moslem north of the country.

The new Khartoum authorities assumed that Mr. Garang would negotiate a new accord, enshrining democracy and power sharing between north and south, but no agreement has been reached.

Sudanese officials say they have made several unreciprocated efforts to normalize relations with Ethiopia: the dispatch of two military missions to Addis Ababa, the return there of a Sudanese ambassador, an offer to close the common border to anti-Ethiopian rebels in Eritrea and Tigre, and the closing of the rebels' political offices in Khartoum.

China Cracks Down on Popular Press

Publishers Must Register, Seek Approval for Every Text

By Jim Mann
Los Angeles Times Service

BEIJING — In a sweeping new crackdown on literary freedom, China has outlawed the publication of any book, magazine or newspaper without official approval.

The ban, which was adopted Friday by three government ministries and made public over the weekend, requires all publishers to register with the government.

The authorities will have the power to confiscate the books or magazines of those who fail to register. A publisher or printing company involved in producing unauthorized material may be fined and have its earnings confiscated.

Chinese newspapers published a speech Sunday on ideology and culture by Hu Qili, a Politburo member, complaining that "there are still some low-level, vulgar, obscene and poisonous works being produced."

Mr. Hu is being groomed as a

future Communist Party general secretary by Deng Xiaoping, the Chinese leader.

The new controls on publications reflect a pronounced shift in the government's attitude since a year ago, when it appeared to be advocating a cultural liberalization.

During a much-heralded speech to the Chinese writers association at the end of 1984, Mr. Hu said the Chinese Communist Party wanted to provide an environment for "freedom of creation."

In 1979, when underground magazines with political themes began appearing in China, the regime shut them down and in some instances sent the editors and writers to prison.

The past year has been marked by a spate of political demonstrations in China, but no new underground political journals are known to have taken hold. The immediate target of the new publication ban appears rather to be China's popular press.

Publishers, spurred in part by the regime's capitalist-oriented economic reforms, have been flooding the market with tabloids, magazines and books that feature stories about sex, romance, crime and the martial arts.

The official press agency Xinhua stated recently that the authorities intended to "crack down on cheap fiction published purely for profit, which contaminates people's minds."

The success of the tabloids has produced a severe shortage of paper and newspaper supplies. The new publications also apparently have been diverting interest from official, party-controlled papers and magazines.

Postal officials reported early this month that subscriptions for the People's Daily, the official Communist Party organ, had dropped by 8.6 percent over the past year in Beijing.

They said subscriptions to the Liberation Army Daily had declined by 9 percent in Beijing since a year ago, and that demand had fallen for national magazines such

as Red Flag, the party's theoretical journal.

Since the economic reforms were announced in October 1984, some Chinese publishers have turned out the popular magazines and tabloids to offset the costs of producing weighty but less profitable literary or political journals.

Law enforcement officials in Chinese cities have raided newsstands several times over the past year and seized copies of specific tabloids, magazines or newspapers that they judged obscene or otherwise offensive.

The new regulations give the authorities the power to confiscate a book or magazine without finding it offensive.

■ **Hu Refers to Executions**
Daniel Sutherland of The Washington Post reported from Beijing: Mr. Hu has said that party members guilty of economic crimes who "deserve to be killed, should be killed," according to a report published Sunday in the People's Daily.

His statement was regarded as the most explicit threat to date that one or more senior officials will be shot to death for economic crimes as part of the government's continuing anti-corruption campaign.

Mr. Hu's views on cleansing the party of corruption were contained in a Xinhua report that was displayed prominently on the People's Daily's front page. In dealing with corruption, "we should seize on the big cases, particularly those cases involving senior cadres and their sons and daughters," he was quoted as saying.

Rumors have circulated in Beijing about the sons of several prominent officials who allegedly took advantage of their fathers' positions to enrich themselves in business deals.

■ **Electricity Cut in El Salvador**
Rumors

SAN SALVADOR — Leftist guerrillas, who had vowed to increase sabotage in 1986, blacked out most of El Salvador on Sunday for the third consecutive day. Electric company spokesmen said 12 of 14 provinces were without power.



IRANIAN IN AFRICA — President Ali Khamenei of Iran, left, was welcomed by President Samora Machel of Mozambique as he arrived Sunday for a visit. Mr. Khamenei traveled later to Angola, which recently established relations with Iran.

Rebellion In Lesotho Is Crushed; 4 Are Killed

By Michael Parks
Los Angeles Times Service

JOHANNESBURG — A military mutiny has been crushed in the small mountain kingdom of Lesotho, government officials in the capital of Maseru have announced, after two days of clashes that left at least four persons dead.

Desmond T. Sixibe, Lesotho's information minister, said Saturday in Maseru that 35 soldiers from the 3,000-man paramilitary force that serves as the country's army had rebelled and fought back when other troops sought to disarm them.

The fighting, which began Friday afternoon at an army barracks south of Maseru and later spread to other areas around the capital, was the climax of a week of political turmoil in Lesotho caused by a virtual blockade of the country by South Africa.

South Africa surrounds Lesotho and has all but halted all shipments of food, fuel, medicine and other goods since Jan. 1.

South Africa contends that the outlawed African National Congress is using Lesotho as a base from which to recruit and train guerrillas and infiltrate them into South Africa. Lesotho denies the charge.

Pretoria's basic condition for lifting its blockade is the expulsion of all African National Congress members from Lesotho.

[Lesotho's prime minister, Chief Leabua Jonathan, warned Sunday in Maseru that his country might approach the East bloc if the West continued to ignore his plea for help in overcoming the South African blockade, Agence France-Press reported from Maseru.

Chief Jonathan said that London and Washington had not even bothered to reply to his appeal for aid to counter the blockade. He said the Lesotho could not hold out much longer.

[If the blockade continued, he said, and if Washington and London continued to turn a deaf ear to his calls for help, Lesotho could be forced to turn to the Soviet bloc for aid "in all aspects."

Mr. Sixibe said that two rebels and two loyal soldiers were killed in the clashes and that others were wounded. Foreign residents in Maseru said, however, that at least eight persons were killed and that the capital remained tense. South African news media put the number of deaths as high as 17.

Although Mr. Sixibe said that the mutiny stemmed largely from differences over military policy between General Justin Lekhanya, commander of the paramilitary unit, and the two officers who led the rebels, political sources in Maseru said the underlying issue was the continued leadership of the country by Chief Jonathan, prime minister for 20 years.

A related issue, the sources said, was the growing rivalry between the politically conservative paramilitary force, which has recently been doubled in size, and the ruling Basotho National Party's leftist Youth League, which has been trained by North Korean advisers and is unwilling to stand up to them.

Strong feelings have also developed in the paramilitary force, according to local politicians, that Chief Jonathan, 71, has grown old, frail and politically weak, is too dependent on the Youth League and is unwilling to stand up to them.

Mr. Sixibe would give no details of the fighting nor of the events that led up to it. He said that of the 35 rebels, two were killed, 23 surrendered or were captured and 10 were still being sought. He said that he did not know the whereabouts of the rebel leaders, a colonel and a major.

Lesotho has a population of 1.5 million and depends economically on its large neighbor. As South Africa tightens its stranglehold, the military reportedly has pressed Chief Jonathan to take a more conciliatory approach toward the white-minority regime in Pretoria and perhaps agree to its demand to expel members of the African National Congress.

But the Youth League demanded recently that Chief Jonathan take an even tougher stand on apartheid and give more, rather than less, support to the African National Congress.

■ **7 Die in Zain-Pondo Clash**
The police said Sunday that seven blacks died and 39 were injured in tribal fighting at a South African gold mine Saturday night, Reuters reported from Johannesburg.

The fighting broke out between Zulus and Pondos at Kiof Gold Mine, west of Johannesburg, the mine owners said. The cause was not known.

Police said riot squads fired shotguns and tear gas to quell the rioting at a mine hostel.

Separately, two explosions at an electricity station rocked an affluent suburb of Durban on Saturday. South African police said lightning strikes probably caused the blasts. A police spokesman said no one was injured in the explosions.

■ **East German Sprites to West**
The Associated Press

BERLIN — A 23-year-old East Berlin worker sprinted about 100 yards (91 meters) through theCheckpoint Charlie crossing of the Berlin Wall and into the Western sector Friday before startled East German security guards could react, police said Sunday.

WORLD BRIEFS

Burkina Faso, Mali Sign Forces Pact

ABIDJAN, Ivory Coast (AP) — The West African governments of Mali and Burkina Faso have agreed to withdraw their troops to positions held before hostilities broke out on their border Dec. 25. The accord was announced in a communiqué issued Saturday after a meeting in Abidjan of the seven-nation Non-Aggression and Defense Grouping. Both Mali and Burkina Faso belong to the organization, made up of French-speaking West African nations.

No timetable or other details were announced. Casualty figures in the border conflict are incomplete. Burkina Faso reported Thursday that 41 people, including 21 civilians, had died and that seven civilians were missing. Mali has announced no official casualty figures.

Congress in Warsaw Ends in Disputes

WARSAW (WP) — An international congress backed by Poland's government ended Sunday with a statement supporting Soviet bloc policies, but some Western delegates used the final public session to raise the issues of human rights in Poland and to call for greater political freedom.

Organizers of the four-day Congress of Intellectuals for a Peaceful Future of the World said about 340 foreign and Polish delegates approved by acclamation a Polish-prepared statement calling for "the abandonment of plans for arming outer space," a reference to the U.S. strategic defense plans.

But some Western delegates said they had not been aware of the reference to space arms in the three-page final statement, which was read aloud once to the delegates.

Soviet Director's Son Arrives in West

PARIS (AP) — The 15-year-old son of Andrei Tarkovsky, a prominent Soviet film director, and the filmmaker's 85-year-old mother-in-law arrived in France on Sunday after a four-year effort to bring them to the West.

According to news reports, President François Mitterrand intervened personally with Soviet officials to obtain exit visas. Mr. Tarkovsky asked for his help to bring his son, also named Andrei, to the West at a meeting in Paris on Jan. 7.

Mr. Tarkovsky, 54, has directed six films, including "Andrei Rublev," "Spiral," and "Nostalgie." He has lived in the West since 1984. His other two children, a 23-year-old son and a 25-year-old daughter, have chosen to remain in the Soviet Union.

Rain Forces Shuttle to Land in West

EDWARDS AIR FORCE BASE, California (AP) — The space shuttle Columbia has ended its troubled mission, landing in the California desert, two days late and a continent away from its intended landing site.

After a record seven launch postponements and three aborted liftoffs from the Kennedy Space Center in Florida, where it was supposed to have landed Thursday, the shuttle landed Saturday morning on a concrete runway in the Mojave Desert. Three consecutive days of rainy weather forced the delays and the change of landing site.

2 Vietnamese Children Leave for U.S.

BANGKOK (UPI) — Two Vietnamese children have left Vietnam to be reunited with their mother in the United States as the result of a senator's appeal.

The personal appeal to Foreign Minister Nguyen Co Thach of Vietnam came from Senator Frank H. Murkowski, Republican of Alaska, who was in Hanoi as part of a congressional delegation investigating Americans missing in action. He was acting on behalf of the children's mother, Nguyen Thi Xuan, 35, who fled Vietnam six years ago and settled in Alaska. The children, a 10-year-old boy and a 9-year-old girl, had been on a list to emigrate to the United States for more than two years. They left Saturday.

U.S. Vetoes UN Statement on Lebanon

UNITED NATIONS, New York (Reuters) — The United States has vetoed a UN Security Council resolution proposed by Lebanon renewing demands for the withdrawal of Israeli troops from Lebanese territory.

The resolution, which also strongly deplored "Israeli acts of violence" in Lebanon, was described as one-sided by a U.S. delegate, Patricia Byrne. She said Friday that the text failed to deal in a fair and balanced manner with the security problems of southern Lebanon, including the border area with Israel.

Britain, Denmark and Australia abstained in the vote Friday. Eleven members, including France, supported the resolution.

For the Record

Jose Maria Ruiz Mateos, the Spanish businessman, was freed from prison Saturday and placed under house arrest pending trial on fraud charges in connection with the failure of his Rumasa business empire, court officials said in Madrid.

One man was killed and eight were wounded Sunday in an Iraqi rocket attack on a Dutch oil maintenance ship near Iran's main oil terminal in the Gulf, a spokesman for the vessel's owners said in Rotterdam. Reuters Prime Minister Rajiv Gandhi of India named four close aides, including three cabinet ministers, to top posts in his Congress (I) Party on Sunday to revitalize and rejuvenate the organization that celebrated its centennial last month.

Slits exchanged gunfire Sunday in the Golden Temple in Amritsar, India, over a dispute on rights to rebuild a building inside the complex, police said. Three people were injured.

Corrections

A New York Times dispatch in the Dec. 16 edition of the Herald Tribune about a lawsuit brought against the United States by the Panos Institute incorrectly characterized the institute's accomplishments in study of AIDS. In early 1983, the institute sustained the suspected AIDS virus in a test tube by repeated infection of fresh white blood cells. In months that followed, many scientists became convinced that the institute had indeed identified the virus that causes AIDS.

A New York Times article in Saturday-Sunday's International Herald Tribune on the 48th International PEN Congress misstated the length of time the poet Heberto Padilla was imprisoned in Cuba. He was jailed for a month, not for years, after breaking with Fidel Castro.

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Coretta King's Struggle With a Legacy: Critics Say Sweeping Change Is Just a Dream

By John Herbers

New York Times Service

ATLANTA — Almost everyone credits Coretta Scott King with extraordinary success in carrying out the work of her husband, the Reverend Martin Luther King Jr., who was assassinated 18 years ago in Memphis, and in enhancing the public memory of him and his teachings.

Without her efforts, those familiar with the situation say, there probably would have been no U.S. holiday in his honor. The first is being observed Monday.

But as the celebrations continued, critics and contradictions abounded about Mrs. King's efforts to use the \$15-million Martin Luther King Jr. Center for Nonviolent Social Change to carry out her husband's agenda.

Over the years, civil rights leaders in Atlanta, including many close to Mr. King, have criticized Mrs. King as an inefficient manager whose tight personal control of the King center has stifled its growth. Aware of the special role Mrs. King has in the civil rights movement and seeking to avoid added dissension, many who offered criticism in private muted their comments in public.

When Mrs. King established the center in 1969 she said she wanted to bring in the nation's best minds and ideas to press for major civil rights advances. Instead, her critics

say, the center has become bogged down in workaday programs such as day care and voter registration that have not resulted in any sweeping national changes.

"The civil rights movement, 18 years after Dr. King's death, is still trying to achieve what Dr. King was seeking in 1968 — a way to

bring poor blacks, who make up one-third of the black population, into economic security," said the Reverend Joseph E. Lowery, president of the Southern Christian Leadership Conference, which was founded by Mr. King.

Mrs. King has said that she has tried to accomplish this, but that neither she nor other civil rights leaders have found a way to do so.

Her critics also say that she has little support among the poor blacks whom her husband inspired and that the center, with a staff of 62 and an operating budget of \$2 million a year, has never provided the kind of innovations that many expected.

'I think she's done a remarkable job. I also think Martin would tell her to get some rest and don't feel like she's got to save the world all by herself.'

— Mayor Andrew Young of Atlanta

to get some rest and don't feel like she's got to save the world all by herself."

Much harsher criticism has come from black leaders such as Charles King, president of the local Urban Crisis Center, and an associate of Mr. King. He said in an interview:

"She anointed herself; no one ever gave her a crown. Black people aren't prepared at this stage of history to anoint anyone with Martin Luther King's crown."

But he added that his criticism was made in the context of his "monumental admiration for Coretta" who rather than "play the role of the grieving widow" expected of her "went to work instead."

In her relentless efforts to be

both preserver and executor of her husband's work, Mrs. King has ignored most of the criticism, saying Mr. King, too, was hounded by critics inside and outside the black community.

Because of the press of activity surrounding the holiday Monday, she did not respond to a request for

Mrs. King is president and chief executive officer; Mr. King's sister, Christine King Farris, is senior vice president and treasurer; and the four King children, now grown, all have a role in its programs.

The center's stated goal is to "preserve and advance Dr. King's unfinished work through teaching, interpreting, advocating and promoting, nonviolently, the elimination of poverty, racism, violence and war in quest of the Beloved Community."

Its activities, however, are focused more on the particular problems of small community groups and individuals.

It provides scholarships and training for college students interested in working with community groups; it constructs models for communities and institutions to follow in such areas as education and conflict resolution; it runs a day-care center for poor families; it supports voter registration projects and it holds seminars on nonviolent protest techniques.

Critics of the center, who include members of the board of directors, say these efforts have been diffused and frequently ineffective.

Observers note that jealousy among civil rights leaders undoubtedly figures in the strong feelings against Mrs. King, who has amassed much larger contributions in recent years than any other groups.



Coretta Scott King, center, and two of her children after their arrest last summer for participating in an anti-apartheid rally outside the South African Embassy in Washington.

Detroit Blacks Say Underclass Status Stems Partly From Their Own Failings

(Continued from Page 1)

exploded seven years earlier in the worst urban rioting in American history.

Today it is a 65-percent black city of 1.1 million. Demographers predict it will be more than 80 percent black, with fewer than a million in population, by the turn of the century.

The depopulation is partly the result of white flight and partly the result of contraction in the auto industry.

Today, with Michigan's future pegged to high technology, high school dropouts wind up on city streets that teem with crime and drugs. The unemployment rate among black youth is estimated at 65 percent; even so, more than half of the students who enter Detroit's high schools drop out.

Mr. Young takes the traditional black politician's view of the source of these problems. The black community, he says, is suffering from a "wholesale abdication of government responsibility for the social welfare of people."

But William Lucas, the elected executive of Wayne County, which includes Detroit and some of its suburbs, called government welfare programs "a drug that, instead of encouraging initiative, actually ends up keeping people pacified."

Differences of this kind were frequent among the nearly 100 blacks interviewed. Among them were a group that makes up part of Detroit's expanding black professional class, a class of welfare recipients training to become machinists and a group of students at Wayne State University.

Also interviewed were a racially mixed group of high school students in a suburb in Southfield, just across the city line, as well as teachers, social workers, clergymen and elected leaders.

Nearly everyone agreed that the breakdown of the traditional black family structure, including teenage pregnancies and the increasing number of female heads of households, was the key problem underlying black America's continued social and economic ills.

"I'm all for the strengthening of the black family," said Sundata Karamo, who is unemployed and studying to become a machinist. "We're not living up to our ideals."

In 1983, 58 percent of all black births were to women without husbands. For black women under 20, the figure was 86 percent.

Some blacks blamed the welfare system, which they see as driving a wedge through black families, either by accident or design.

"We don't have any family structure," said Buford Olantonu, an unemployed Detroit resident who is taking the machinist training class. "So," he said, "you have mothers raising four or five kids by them-

true for too many professionals today. "If you want to die, go to a black doctor. If you want to go to jail, go to a black lawyer."

Nearly everyone agreed that blacks who move into the economic mainstream had some obligation to reach back.

But while poorer blacks said the successful ones had a tendency to cut ties to the old neighborhood, some of those who had reached middle-class status said they resented being made to feel guilty for their success.

In virtually every conversation, self-criticism was accompanied by repeated assertions that white racism persists and is responsible for many of the pathologies in the black community.

"It is a hard job to re-psychologize your people after 400 years of degradation, to teach them to love themselves," said Shavi M. Diara, an instructor of African-American studies at Wayne State.

For many here in Detroit, a recent event was a rude reminder of persistent white attitudes about race.

The people of neighboring Dearborn, a virtually all-white bastion with a history of not allowing blacks to move in, approved a referendum in November limiting the use of Dearborn parks to residents only. The ban was widely viewed by Detroit blacks as a racist law.

The city's black leadership responded with a boycott of Dearborn stores. The action put a dent in the business of Fairlane Shopping Center, which was used by many black Detroiters. But Dearborn stuck by its new regulation on use of town parks.

While blacks accept white racism as a fact of everyday life, the perception of the barriers that it presents varied widely along economic lines.

The contrasts underlined the different worlds in which the black middle class and the black underclass live.

There is 'a culture of defeatism that says you can't even compete and don't even bother, so we're left to prey on our own.'

— Kenneth Cockrel, former activist

Others pointed not to the system, but to a general loosening of morality throughout society.

"I'm sick of seeing topless go-go places right around the corner from me," said Kimberly Thigpen, a Wayne State journalism student.

Others cited the economic environment in which blacks struggle to succeed.

The theme of blacks distrusting themselves deeply affected the "buppie" group. Richard Jones, an advertising executive, recalled an old adage that he said still holds

Jet Crash Kills 93 in Guatemala

The Associated Press

GUATEMALA CITY — A jetliner carrying tourists to Mayan ruins in northern Guatemala has crashed in a remote jungle area, killing all 93 people aboard, the airline Aerovias said.

The twin-engine Caravelle jetliner crashed Saturday as it approached the airport at Santa Elena, about 120 miles (245 kilometers) north of the capital of Guatemala City. It was the worst crash in Guatemala's aviation history.

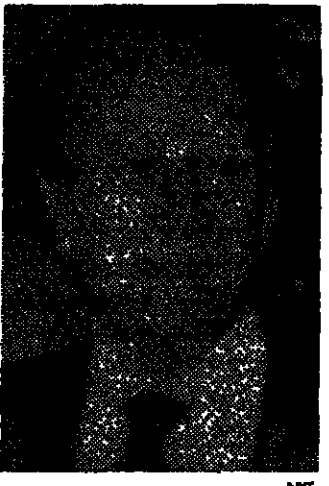
Gerry Waters, a spokesman at the U.S. Embassy, said airline officials reported that the pilot had not mentioned any problems.

The airline released a tentative list of the dead Saturday night. It said 54 passengers and five crew members were Guatemalans, and the other 34 victims were foreigners, including a Colombian flight engineer.

It said the foreigners killed included eight Americans, six Colombians, four Venezuelans, two Mexicans, two Costa Ricans, two Danes, two Britons, two Canadians, two persons from the Netherlands Antilles and one each from West Germany, Greece, France and Italy.

One of the Venezuelan victims was identified as Aristides Calvani, a former foreign minister.

Mr. Calvani and some of the others aboard the flight were in Guatemala to attend last Tuesday's swearing-in of President Marco Vinicio Cerezo, the nation's first civilian head of state in 16 years.



Aldo Gucci

Gucci Pleads Guilty in U.S. To Tax Fraud

New York Times Service

NEW YORK — Aldo Gucci, the former head of Gucci Shops Inc., has pleaded guilty to criminal charges for failing to pay more than \$7 million in U.S. income taxes.

Mr. Gucci, 80, whose surname has become synonymous with elegance and wealth, waived his right to an indictment and trial Friday in a Manhattan court.

He admitted failing to report more than \$11 million in personal income from his business, which sells fashionable leather goods worldwide.

As part of the plea agreement, he gave a \$1 million check to the government and must pay the rest of the \$7.3 million owed before sentencing, according to Howard Wilson, chief of the Criminal Division of the U.S. attorney's office.

Judge Vincent L. Broderick, who accepted the guilty plea in U.S. District Court, set April 8 for the sentencing.

Mr. Gucci pleaded guilty to three criminal charges, each carrying up to five years in prison and a \$10,000 fine.

Mr. Gucci has homes in Rome, New York and Beverly Hills, California, federal prosecutors said.

Milton S. Gould, the lawyer for Mr. Gucci, described the guilty plea as the culmination of long negotiations with the government. He said Mr. Gucci had ended a "foolish and imprudent" practice devised by an accountant and others involved in the company.

In a statement issued by Gucci Shops Inc., the company said Mr. Gucci had resigned as chairman of the board in 1984 and "ceased to have an active role in the company at that time."

Mr. Gucci pleaded to one charge of conspiracy to defraud the government and two charges of tax evasion. The conspiracy charge said he had failed to report about \$11.8 million of income on which he owed about \$7.3 million in taxes from 1977 to 1982.

Evren Alleges Bulgaria Is Still Mistreating Turks

Reuters

CAIRO — President Kenan Evren of Turkey has accused Bulgaria of conducting a campaign to destroy the Moslem culture of ethnic Turks in that country and to force them to take Slavic names.

Mr. Evren, beginning a state visit to Egypt, said Saturday that Bulgaria was still carrying out "inhuman pressure and a violent campaign against the Turkish Moslem minority living there by changing their names by force and destroying their faith."

He said Bulgaria, where an estimated one million Turks live, remained indifferent to Turkish efforts to settle the problem through dialogue.

Relations between Bulgaria and Turkey became strained last year over the issue following protests by Ankara and reports that some Turkish Bulgarians died resisting Sofia's campaign.

New Growths Removed From Reagan In Exam Show No Evidence of Cancer

By Christine Russell

Washington Post Service

WASHINGTON — Laboratory studies on three "very small" new growths removed from President Ronald Reagan's large intestine, and a tiny patch of tissue shaved from the right side of his face, all showed no signs of cancer, the White House has announced.

A statement released Saturday by a White House spokesman, Albert R. Brashear, said only that "final laboratory evaluation on the three intestinal polyps and facial tissue removed from the president" Friday "has been completed and all are benign."

He said Mr. Reagan was informed of the results Saturday morning by his physician at the presidential retreat at Camp David, Maryland.

Mr. Reagan underwent nearly six hours of tests at Bethesda Naval Medical Center in Maryland to monitor his health after surgery for colon cancer last July.

All tests were normal, according

to brief statements issued after the checkup.

A White House statement said that the three new intestinal growths, or polyps, found Friday were "very small" — smaller than 2 millimeters or less than one-twelfth of an inch each. They were removed at the time of the colonoscopy, using a wire snare in the instrument. The tissue was scrutinized under a microscope to check for cancerous cells.

The president's doctors and aides refused further comment. Based on available public information, medical specialists not associated with Mr. Reagan's care said Saturday that the findings were encouraging and that the discovery of new polyps is not unusual in a patient with the president's history.

Like some older Americans, Mr. Reagan, 74, may simply be "polyp prone" and in need of careful long-term follow-up, said Dr. Nelson P. Trujillo, a Washington gastroenterologist and clinical professor at

George Washington University School of Medicine. "From a medical point of view, everything is O.K.," Dr. Trujillo said.

Doctors first discovered a polyp in Mr. Reagan's large intestine in a routine examination in May 1984. It was benign. Another polyp was found last March, as well as evidence of blood in his stool. But he did not have a complete examination of his large intestine until mid-July, when a colonoscopy revealed a large malignant growth 2 to 3 inches long.

Specialists suggested then that there was a better than 50-50 chance that his disease was permanently cured. But like all cancer patients, Mr. Reagan must undergo regular exams.

Mr. Reagan is also prone to skin growths, perhaps because of extensive exposure to the sun. In addition to the small growth removed Friday, two malignant growths were removed from his nose last year.

AMERICAN TOPICS

Nixon's Reflections On Alger Hiss Case

As a U.S. congressman, Richard M. Nixon gained national prominence for his part in the investigation that led to the indictment, conviction and imprisonment of Alger Hiss, a former State Department official, for perjury in denying that he had passed documents to Whittaker Chambers, a self-professed former courier for a Communist spy organization.

In an article this month in The New York Times, Mr. Nixon said that the elegant Mr. Hiss "had an enormous impact on the media." He noted that the presidential election of 1960, in which he was defeated by John F. Kennedy, "was one of the closest in United States history; A shift of 12,000 votes in Illinois and one other smaller state would have changed the result."

"A friend of mine, post-mortemizing the election a few days later, blamed the journalistic apathy directed against me during the campaign: 'If it had not been for the Hiss case, I think you might have been elected.' I replied that without the Hiss case, I would probably not have been nominated."

Notes About People

Peter Fleischmann, 63, who became chairman of The New Yorker Magazine Inc. in 1969, on the death of his father, Raoul Fleischmann, who helped start the magazine in 1925, has resigned, ending his family's 60-year role there. The magazine was bought for \$142 million in March by Samuel I. Newhouse Jr.

The Republicans are no longer worried about losing a Senate seat with the impending retirement of Paul Laxalt of Nevada, according to the weekly magazine, U.S. News & World Report. They are satisfied that James D. Bassett, 47, a popular former congressman who left the Democratic Party to join the Republicans, can beat any Democrat in sight.

Zbigniew Brzezinski, who was President Jimmy Carter's national security advisor, says Secretary of State George P. Shultz is behaving like a presidential candidate — challenging White House lie-detector policy, taking a strong stand against terrorism and adopting a prompting device to improve his speaking style. Six secretaries of state have become president, but none since James K. Polk in 1856. Some of Mr. Shultz's friends, meanwhile, say international financiers have



BOTTOMS UP — This topsy-turvy skater is actually a mannequin installed on a pond in North Platte, Nebraska. In warmer weather, it is outfitted with flippers.

urged President Ronald Reagan to name Mr. Shultz to the World Bank, succeeding A.W. Clausen, whose term expires in June.

Grant P. Thompson is the first male executive director of the League of Women Voters but hardly the only male member. Of the 120,000 members of the 65-year-old league, 5,000 are males, and the full-time staff of 71 includes nine men. Mr. Thompson, 45, is the son of a League activist, but calls his appointment "the perfect man-bites-dog story." In any case, he joked, "I type 105 words per minute, and I take shorthand, and I make great coffee."

Before the space shuttle Columbia finally went into orbit last week its launch was scrubbed seven times, and after the fourth abort, Donald Weber, the launch engineer, told the crew members, "We've got to stop meeting like this."

Senator Don Nickles, an Oklahoma Republican, was back home recently and when the name of an absent state senator, Billy Floyd, came up at a community meeting in Okemah, Mr. Nickles said, "I know Billy Floyd, he's a good guy." Somebody finally broke the ensuing silence with, "Billy is a she." The senator blushed, but quickly recovered in professional political

fashion, saying, "Oh, of course, what am I saying? I know Billy."

Short Takes

For the first time, the population of interior California is growing faster than the Pacific coastal strip, the U.S. Census Bureau says. In absolute numbers, the coastal cities still draw the most people, but on a percentage basis the fastest-growing cities are in the interior. From 1980 to 1985, while total U.S. population grew 3.4 percent and the California population grew 11.4 percent, interior California cities like Stockton and Bakersfield grew about 15 percent.

When Jimmy Carter got rid of the yacht Sequoia as an economy measure he was the last of a number of presidents — Hoover, Eisenhower, Lyndon Johnson and Nixon — to announce such a gesture, although Mr. Carter was the only one who actually sold it. Now that a private foundation, the Presidential Yacht Trust, has repurchased the Sequoia, it hopes to raise \$7 million to endow the vessel so that it can be operated without cost to the taxpayers. A parallel move is under way to have Congress declare it a national historic yacht so that future presidents will be free to use it but not to get rid of it.

— Compiled by ARTHUR HIGBEE

Valerian A. Zorin, 84, Soviet Diplomat, Dies

New York Times Service

NEW YORK — Valerian A. Zorin, 84, a Soviet diplomat who retired in 1971 as ambassador to France, has died in the Soviet Union after a long illness.

An obituary in the Communist Party newspaper Pravda, signed by Foreign Minister Eduard A. Shevardnadze and members of the ruling Politburo, said Mr. Zorin died Tuesday, his 84th birthday.

Mr. Zorin had a reputation for toughness even by the standards of Soviet diplomats at the height of the Cold War.

But he then surprised many during a first encounter with his charm and affability.

A deputy foreign minister since 1947, he came to New York in 1960 after five years in Bonn to take on the duties of his country's permanent representative to the United Nations. He kept the post until 1962.

Mr. Zorin held various party posts dealing with education and helped organize the Young Pioneer movement, a children's organization to which most Soviet youngsters belong. In 1941, when Germany invaded the Soviet Union, Mr. Zorin was transferred to the Foreign Ministry.

He served as head of the Foreign Ministry's Central European section in the last two years of the war and then became Moscow's first postwar ambassador to Czechoslovakia.

In 1947 he began eight years as deputy foreign minister, and he was believed to have overseen the Communist takeover in Czechoslovakia in February 1948.

In 1952 and 1953 he also served as Soviet representative on the United Nations Security Council.

He was ambassador to West Germany from 1955 to 1956. He served as deputy foreign minister from 1955 to 1960 and from 1963 to 1965, ambassador to France from 1965 to 1971, and ambassador at large in charge of human rights since 1971.

Other deaths:

Julius H. Weitzner, 90, a leading dealer in Old Master paintings in New York and London, on Tuesday in London.

Alfred Bestall, 93, the illustrator

of the cartoon character Rupert Bear and his adventures in Nutwood in Britain's Express newspapers for 47 years, Wednesday in Gwynedd, Wales.

General Jaime Silverio Marques, 71, a member of the Portuguese military junta that seized power on April 25, 1974, in Lisbon on Jan. 13.

Samsaw Salkowati, 61, Indonesian Democratic Party chairman,

of heart failure Jan. 12 in Jakarta.

Marcel Arland, 86, one of France's leading men of letters and a member of the Académie Française, of heart failure Jan. 12 near Paris.

Colonel Roger Trinquier, 78, whose role in the 1958 Algerian rebellion helped bring General Charles de Gaulle back to power, Jan. 11 after a fall in Nice.

Bob Kaufman, 60, the poet credited with inspiring the coining of the word "beatnik," of emphysema Jan. 11 in San Francisco.

Mike Garcia, 62, the former Cleveland pitcher who helped the Indians set the major league record for victories in winning the American League pennant in 1954, from kidney disease Jan. 13 in Cleveland.

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Challenging the Pessimists

The study by Wassily Leontief, Nobel prize economist, of work prospects for the new century begins raises hot issues. In the year 2000, those in today's nursery schools enter the labor market. The common view is that they will have a hard time finding jobs because of the inexorable spread of automation. Work will increasingly be performed by robots, directed by computers. There won't be much room in the production line for the mere human.

The Leontief thesis ("Automation Technology: A Threat to Human Jobs" *IHT*, Jan. 11) is the exact opposite. We may not have enough people to operate and make the complex machines required for producing the goods and services we want.

Projections are no better than the assumptions fed into the computers that spew them out. Even short-term economic forecasts hedge on labor market prospects. Longer-term forecasts must be even more humble. But Mr. Leontief and his colleagues show an intellectually respectable alternative to the current view that the only way to cope with joblessness is to reduce the time that anyone is permitted to work. Cut the working week faster than social forces are already doing, say the pessimists — and pray that workers will, improbably, accept cuts in pay and not boost productivity by demanding unchanged income for less effort. Bring forward the age of pensionable retirement — and pray that the shrinking army of those young enough to be allowed to work will cheerfully foot the rising tax bill to pay pensions to the old.

Business, labor unions, government and academics need to think hard and fast about Mr. Leontief's warning that present reactions to technological advance could end in economic disaster. Instead of rising to the challenge, as our ancestors did when steam

and the petrol engine succeeded the horse-drawn vehicle, we plan futile retreat into imaginary Maginot lines of defense. The thesis that scientific advance entails an overall lack of jobs, instead of a manageable mismatch between job requirements and existing skills, is not supported by historical experience. Few of our fathers, fortunately, sought to preserve the shrinking race of grooves and blacksmiths. They helped their offspring become engineers and mechanics. The training process needed today may be more costly, but the difference is one of degree rather than of nature.

We make great efforts, already, to counter the scourge of youth unemployment, but probably haven't got the pattern right. We could spend less on make-work schemes — giving people supernumerary jobs on the railroads to keep them off the streets — and more on training and retraining to equip them with skills that the future requires.

But even if, despite Mr. Leontief, industry's need for labor is going to grow less fast than the people who seek the working hours normal today, is social tragedy inevitable? We have a work ethic, but a growing leisure ethic as well. If industry can produce the needed output with a lower input of labor, productivity and profits will rise. This doesn't have to be tragic. Redistribute part of the higher profits through the tax system, and incomes will rise although working hours fall, just as they have done for nearly two centuries now. Whether people are content with rising leisure is another matter. This is a further challenge to the educational system, which has to inculcate changing values as the human condition changes. The link between calm economies and education is closer than many penny-pinching finance ministries think.

INTERNATIONAL HERALD TRIBUNE

Leninism Amok in Yemen

South Yemen, an impoverished nation of two million, has long been put down as the Soviet Union's puppet in the Arab world. Yet Moscow has appeared unable to untangle a murderous rebellion there. It could not readily condemn a rebellion led by a former president known for his pro-Soviet ardor. Neither could it disinherit loyal incumbents whose sinner flexibility may have made them more useful allies. Whatever the course of events, they show again that the Soviet model loses stability when transported to the Third World.

Leninism offers a rich vocabulary for slogans and a high-minded pretext for repression. But elites that lack indigenous legitimacy are hardly immune to conspiracies, purges, coups and counter-coups. South Yemen now joins Ethiopia, Afghanistan and Grenada as another bloody case in point.

When South Yemen gained independence from Britain in 1967, it consisted of 22 sheikhdoms and Aden, an important deep-water port at the tip of the Arabian Peninsula. Two years later a so-called Marxist Liberation Front grabbed power over what soon became the People's Democratic Republic of Yemen, the very model of a Soviet satellite.

Mosques and nightclubs were closed. East

German arrived to train the security police. And Aden in due course served as the Soviet Navy's gateway to the Red Sea, facilitating its shipments to Ethiopia. But the People's Republic could not feed its people, who fled by the thousands. Hopes of befriending conservative Arab neighbors were lost in 1978 when agents of South Yemen packed a bomb inside a message of peace and killed the ruler of North Yemen. Amid this turmoil a dogmatic Communist, Abdul Fattah Ismail, seized power after the execution of his predecessor.

Mr. Ismail resigned in 1980, claiming "poor health," and called himself to Moscow. He was succeeded by a more flexible Communist, Ali Nasser Mohammed Hassani, who tried to make life less drab and to befriending Arab neighbors. In 1982 he let Kuwait broker an agreement with Oman, and showed interest in better ties with pro-Western Yemen.

But Mr. Ismail recovered enough health to return from Moscow last year and lead the current coup. If on the Kremlin's errand, he may have botched it. More likely his parochial ambitions have upset a fiefdom that Moscow thought to be under control. Scientific Marxism is not without its laboratory explosions.

—THE NEW YORK TIMES

Mrs. Thatcher's Helicopters

The take-over of a failing helicopter company is not usually the kind of event that can threaten a confident and strongly led government. But the Westland affair has set off a savage internecine quarrel within Britain's ruling Conservative Party, and Prime Minister Margaret Thatcher seems to be having difficulty bringing it under control. It is a case of a decision that has only modest significance in itself, yet reaches concerns of such deep sensitivity that the whole government vibrates.

Westland is a private company that builds helicopters for the British armed forces, among other customers, and its business is declining. It's the dilemma of the arms industry in a middle-size country that needs highly sophisticated weapons but is not big enough to support the kind of companies that can make them.

Westland's management was in the process of selling a controlling interest to Sikorsky, the U.S. helicopter company, when the minister of defense, Michael Heseltine, hastily organized a counteroffer from a consortium of European aircraft companies. Under the Sikorsky deal, Mr. Heseltine charges, all the technology would come from the United

States. The European consortium, he argued, would strengthen cooperation with other countries whose forces are on a scale similar to Britain's. But he said he wasn't getting any support from Mrs. Thatcher, and resigned.

Last week he carried his case to the House of Commons, where he subjected Mrs. Thatcher and her minister of industry to unpleasantly sharp cross-examination. There's more to it than military procurement. Mr. Heseltine belongs to the wing of the Conservative Party that considers government intervention in industrial policy to be a desirable and necessary thing. Mrs. Thatcher puts her faith mainly in the market, and believes that unsuccessful helicopter companies are best left to work out their own destinies.

And then there is the calendar, which reminds British politicians that they are just over half way from the last national election to the next one. It would be rare for a party leader to win three elections in a row. Mr. Heseltine's interest is not limited to helicopters. Rather, he seems to be challenging Mrs. Thatcher for the Conservative Party leadership.

—THE WASHINGTON POST

FROM OUR JAN. 20 PAGES, 75 AND 50 YEARS AGO

1911: When Revolvers Make the Law
PARIS — [A Herald editorial says:] "Naturally, manufacturers of revolvers regard without much enthusiasm the idea of interfering with the industry. But the interests of a few cannot be allowed to outweigh the vital interest of the nation. Some drastic measure is needed, for the revolver has begun to play a role that is far too prominent in social life. Every day it makes its voice heard. A man has a dispute with his wife — bang! — the matter is settled. Partners in business disagree; an incompetent employee is dismissed — bang! bang! — the affair is disposed of with despatch. Unless some restraint be imposed on this tendency to take the law in one's own hands, anarchy must ensue and the social fabric crumble."

1936: Aga Khan Gets Weight in Gold
CALCUTTA — The spectacle of a man being publicly presented with his weight in gold took place at Hasinbad [on Jan. 19] as the Aga Khan, India's Moslem leader, in accordance with an ancient tradition was publicly weighed before several thousand people at the opening of his Golden Jubilee celebration and presented with a billion worth approximately \$120,000. The money was raised among followers of the Aga Khan in five-rupee subscriptions to commemorate the 50th anniversary of his ascent to the throne of Imam, at the age of 11. Most of it will be distributed among the poor. Rallies, public sports, illuminations, fireworks and feasting will continue this week. Rich and poor alike will share in the celebrations.

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Like Its Volcanoes, Guatemala's Peace Is Unstable

By Jonathan Power

This is the first of two articles.

NEW YORK — Last week saw the inauguration of the first civilian president of Guatemala in 30 years. The army, the most ruthless and sadistic in Latin America, at last stood aside to let Marco Vinicio Cerezo take the helm.

Guatemala has bought peace, but at a price. Like Guatemala's volcanoes, the calm threatens to erupt into more terrifying violence. Many question the chances of peace in a country that has never known anything but upheaval. The late Miguel Angel Asturias, Guatemala's Nobel laureate for literature, in his most well-known novel, "El Señor Presidente," describes Guatemala's violence as endemic. According to Americas Watch, a New York-based human rights group, well over 10,000 people have died in the last few years, mostly victims of government-sponsored death squads and a brutal counterinsurgency campaign.

For most of Guatemala's history, military men have been in charge. But now the army is exhausted politically. Meanwhile, leftist guerrillas have largely been defeated.

Last week's events can be traced back to 1945, when Juan José Arévalo was elected president. There are two distinct versions of what happened subsequently.

One is that during the Arévalo presidency, Communists began consolidating their influence in government, labor and student groups. In the subsequent regime of Colonel Jacobo Arbenz, Communists increasingly controlled policy until Guatemala was "liberated" from their influence by a CIA-backed coup.

The other version is that Colonel Arbenz was intent on reshaping Guatemala into a modern capitalist country. He set about this by redistributing land. Over 11,000 estates were

appropriated by the government and redistributed among 100,000 peasant families. Peasants were to pay for their land and owners were to receive compensation according to the value of land declared for tax purposes.

The move outraged estate owners. A major landowner, the United Fruit Company had 400,000 of its 550,000 acres expropriated.

The CIA, United Fruit Company and landowners opposed Colonel Arbenz, who found to his cost that because the Indian population was

government toward the church after 1954, because the church-state rap-prochement resulted in ending restrictions on allowing more missionaries to go there.

In the early- and mid-1960s, a young generation of officers, activated by the social and political ideals of the Vatican Council. They became increasingly involved with the economic plight of the Indians.

The first reported clashes between the guerrillas and the military happened in 1976 but the key events had

Many changes are necessary at the political level, but only a long-term agricultural program will undermine any calls for a new guerrilla campaign.

largely untouched by the reforms, he did not even have the support of those who, theoretically, the reforms aimed to help most.

The CIA coup in 1954 brought Colonel Carlos Castillo Armas to power. He was assassinated in 1957 and General Miguel Ydigoras Fuentes became president from 1958-1963. It was under his presidency that the guerrilla uprising first began. In November 1960 young army officers, disgusted with General Ydigoras Fuentes's cooperation with the United States in allowing Guatemala to be used in preparation for the Bay of Pigs invasion, led one-third of the army into an unsuccessful revolt.

Meanwhile a second opposition grouping, rooted in the Indian population, was growing, catalyzed by the social teaching and practice of the Catholic Church. It was ironically aided by a growing tolerance of the

taken place a year earlier. The guerrillas had lost Luis Arenas, a landowner known as the "Tiger of Ixcán" because he kept the Indians in virtual slavery to work his lands. The following day army paratroopers dropped on the communities of peasant-colonists organized by a priest, Father William Woods. Thirty-seven cooperative leaders and catechists were kidnapped. Three years later Father Woods was killed in a plane crash that many believe was not an accident. The polarization between the military and guerrillas intensified.

The guerrillas gained strength rapidly and the army felt increasingly threatened. As more Indians joined the guerrillas, a CIA analyst briefing a senior official at the U.S. embassy in Guatemala City observed in 1981 that it looked as if the guerrillas might take over the country.

Any prospect of that happening

America Must Heed Latin Peacemakers

By Stephen S. Rosenfield

WASHINGTON — Again the Reagan administration gears up to ask for military aid to the insurgents in Nicaragua. But before that familiar debate drags out all else people ought to look at some diplomatic prospects stirring faintly — very faintly — at the same time.

First there is the new oxygen, as a Latin diplomat puts it, flowing to the Contadora peace-seeking campaign. The four original partners — Mexico, Venezuela, Colombia and Panama — are suffering from assorted political aches and pains, but four more recent democratic recruits are coming on strong: Argentina, Brazil, Uruguay and Peru. At Caraballeda, Venezuela just over a week ago, all eight of them took a fresh vow to persevere.

Then there is the election of Marco

Vinicio Cerezo in the key Central American country of Guatemala. His inauguration last Tuesday was attended by the presidents of both El Salvador and Nicaragua, who, according to a news report, "talked amicably." Mr. Cerezo intends to organize a Central American summit to advance a Latin peace initiative. As someone determined to keep Guatemala on a course friendly to Washington but apart from its hard-driving policy toward Nicaragua, he induced all his Central American guests to sign the statement formulated at Caraballeda.

Here in Washington there is a tendency to salute Latin America's would-be peacemakers and temperance-lowerers publicly but to dismiss them privately as irrelevant and ineffective, not to say sometimes hypocritical. As warring and inconsistent as our best Latin friends can be, however, we should be alert to what drives so many to reach out for regional negotiations, even while the United States grinds its teeth and says that the only choices are battle and surrender.

The Latins do not want to see Central America further torn by war. They do not want the hemisphere opened wider either to Communist penetration or to American intervention. They fear their own fragile societies will be infected by the Central American disease of violence and polarization and distracted from their proper agenda of coping with the immense demands of modernization.

So it is not merely a weakness for posturing and platitudes that explains why Latin America's hard-pressed Alfonsinos and Cerezos are willing to invest their scarce international assets in the risky business of a Central American settlement.

But what kind of a settlement? Is it one that could command, at the very least, a rough consensus over time, as it must to work? Is it reasonably simple and gimmick-free?

We have to go back to Contadora, the ostensibly dispensable Contadora, the Contadora that can easily become a disguise for handwringing and get a fresh grip on its end.

The essence of it is that it is made by Latins for Latins — for all kinds of Latins, including the Sandinists. It is a broad and necessarily fuzzy statement of the Latin political culture, whose salient elements are a sense of common Latin-ness, a respect for national differences — nonintervention — and a hope for a shared future — democracy and development.

Think of it, too, as a rather patient and forgiving culture. It does not ask everyone to reach all the same target goals at once. It's enough that they're heading the right way. Precisely in this tolerance of delay and national variation lies the softness, but also the promise, of Contadora.

Here we must try to pin down just why Contadora has lagged so far. It's not that its arrangements for regional security are inadequate, although they are proving awfully hard to put in place. It's that Nicaragua has resisted, even as the United States has pressed, the internal political shifts that are also part of Contadora: the calls for reconciliation and pluralism. The hardening American view is that peace is not possible without these internal shifts, and the evident Sandinist view is that the survival of the regime is not possible with them.

Is not the answer to work first on the urgent security questions and, meanwhile, to rely on Latin involvement and the lowering of regional tensions to turn the Sandinists back from their passage toward a Communist police state? In some measure, the Sandinists are already sensitive to the pleadings and standards of their hemispheric peers. In circumstances where they were not directly threatened by Nicaragua's perceived nemesis, America, the Sandinists might become more sensitive to their peers.

This is the case for a security-first, pluralism-second policy. It's untested but it might work. The U.S. administration's policy amounts to doing it the other way around. It's well tested, and it's not working.

The Washington Post

LETTERS

U.S. Diplomacy Is Needed
Regarding "When a European Tail Wags a U.S. Dog" (Jan. 7):

Why does Melvyn Krauss think that President Reagan has got such a bad deal in Europe? Keeping 330,000 U.S. troops in Europe keeps unemployment down back home. Stationing missiles in Europe keeps the weapons industry healthy.

The president's role as a diplomat is to negotiate with other nations to reach a meeting of the minds, not simply push his own wishes through. Mr. Krauss seems to forget that Europe is not part of America.

I doubt that Europeans feel they have gained much through Mr. Reagan's recent attempts at détente. I know many who are afraid and feel they are in occupied countries.

L. PADGETT, Frankfurt.

To talk about the "Europeanization" of Ronald Reagan's East-West policy seems far-fetched in light of Melvyn Krauss's column. The Geneva summit is not the result of tactics designed to reconcile European views on more serene U.S.-Soviet relations.

Mr. Reagan did not mitigate his tough position toward the Soviet Union to please his allies but because the United States cannot afford a costly arms race. Since Mr. Gorbachev wants to rebuff the Soviet economy, he also will willingly enter an agreement to prevent further increases in military expenditures. Geneva becomes in this sense meaningful for two superpowers who need time to resolve their domestic financial difficulties.

GEORGES A. BOUBOULIS, Paris.

Top Hats and Tales of Uses and Abuses

By Ivor Smullen

LEEDS, England — As a 15-year-old strapping, Prince Philip was taken ill at a state occasion but managed to throw up into his top hat. This latest in the endless stream of published revelations about the British royals is significant since it throws new light on the ill-purposed nature of the headgear being referred to.

It might be going too far to suggest that all nervous airline passengers should be issued with top hats. But, as the records show, his handy nature is indisputable.

The poet Edward Fitzgerald, translator of the Rubáiyát of Omar Khayyám, converted his own top hat into a container for his pipe, tobacco and boots, and, to insure they weren't joggled about, knotted the hat round his head with a handkerchief. Why he didn't write, "a jug of wine a loaf of bread, a tall top hat and thou" must remain a literary mystery.

A Victorian scientist, Sir Francis Galton, conceived a ventilating top hat with a movable crown. The hat housed a valve linked by a tube to a rubber bulb. When Sir Francis squeezed the bulb, the valve raised the crown — thus, he claimed, allowing his overheated head "to breathe" a while. The hat looked peculiar at fashionable gatherings. But wearing it, he insisted, was better than collapsing through heat.

In later years, Edward VII wore his top hat at a dashingly rakish single copy by virtually every London "swell." The top hat was no less essential to the Victorian undertaker. Sir Philip Gibbs, a respected correspondent during World War I, regularly turned up at

his Fleet Street office in a top hat and once covered a shipwreck in Cornwall similarly attired. And today, one can occasionally see a chimney-sweep cycling down an English lane — especially in semi-

about the hatmaker's identity. A firm called Christy's, based in the northern English industrial town of Stockport (formerly in the heart of cloth-cap country) claims it is most probably the world's only top hat maker. (Incidentally, this is the same firm that regularly renovated Churchill's three Homburgs.)

Christy's is somewhat secretive about the top-hat-making process, which, one gathers, relies on a skill matching that required for the construction of a space shuttle. But they are happy to reveal that a Nigerian tribal chief made a number of visits to their London office to order hundreds of top hats, several pointed an immaculate white. Each top hat required seven coats of paint and was given a final polish with sharkskin to achieve the shiny finish insisted upon.

The hats have now, it seems, become almost standard wear for many chiefs, and Christy's has received pictures of the original purchaser in ceremonial robes, with mace of office and a top hat that even Mr. Astaire might envy.

Perhaps the truly immortal top hat is that worn by John Fuller, an early nineteenth century Member of Parliament in Britain. Before he died, Mr. Fuller, who was a known eccentric, built himself a pyramidal mausoleum in a Sussex churchyard. There, it is said, he sits in an armchair clasping a bottle of claret and wearing a top hat of supreme distinction.

The writer contributes to magazines in Britain, the United States and Europe. This comment was published in The New York Times.



By Zelig in Marbury (Tel Aviv). C&W Syndicate.

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January, 1986

مجلس الوزراء

Europeans Pursue Westland

Seek Talks After Rivals' Setback

Compiled by Our Staff From Dispatches

LONDON — A European consortium said an invitation to discussions would be sent to Westland PLC said over the weekend that it was seeking immediate talks with the ailing British helicopter company after shareholders failed to endorse a rival, American-led rescue package.

A spokesman for the European consortium said an invitation to discussions would be sent to Westland's board on Monday.

"We could put together a legally binding deal very quickly," the spokesman said.

At a shareholders' meeting on Friday in London, about 65 percent of Westland shares voted to support the \$105-million plan from United Technologies Corp. and Fiat SpA. It would give the two companies a 29.9-percent stake in Westland while giving the British company an infusion of capital, bank loans and guaranteed work.

Under the company's bylaws, the plan needed a 75-percent endorsement to be approved. Westland is exploring the possibility of refinancing the United Technologies-Fiat rescue package so that it could be legally approved with the support of 50 percent or more of the shareholders.

The United Technologies negotiating team left Britain on Saturday, but Bill Paul, a senior vice president, said the fight for Westland was not over and that he would return this week.

Mr. Paul said that for United Technologies to withdraw would be "a very difficult thing to do when you see the reaction of the work force and the shareholders in support of our proposal."

Westland's management and employees have strongly backed the United Technologies-Fiat offer. The rival offer by the European group, which is similar to the American-led plan, was not put to the shareholders at the special meeting on Friday.

Members of the consortium are Aerospaciale of France, Agusta SpA of Italy, Messerschmitt-Bölkow-Blohm GmbH of West Germany, British Aerospace PLC, and General Electric Co. of Britain.

Supporters of the European group say the Westland case is a test of Britain's commitment to European cooperation.

(Reuters, NYT)



On the trading floor at the Paris Bourse.

Paris Bourse: Small but Growing

After '85 Surge, New Boost Expected From Privatizations

By Axel Krause

International Herald Tribune

PARIS — The Paris Bourse, like other major West European stock exchanges, set trading and volume records last year on the heels of a weaker dollar. According to institutional investors and stock market analysts, 1985 promises to be another banner year for the Bourse because of the increasing attractiveness of European securities to U.S. investors.

The value of transactions in Paris last year rose 45 percent to 778 billion francs (\$103 billion at current exchange rates), although about 84 percent of the total volume was in bond trading. Brokers say U.S. investors were increasingly present on the Bourse.

By comparison, trading of equities alone on the Frankfurt stock exchange was estimated at more than 200 billion Deutsche marks (\$81.2 billion) in 1985.

With the dollar steady so far this year, Paris, like other European exchanges, is again likely to head upward, analysts say. Other contributing factors are the improvement of France's economy and the rising profits of both private and state-controlled companies.

The Bourse, facing the prospects of a new conservative government after legislative elections on March 16, also is anticipating major impetus from the planned denationalization of

large industrial concerns, insurance companies and banks.

On Thursday, the two leading conservative parties, the neo-Gaullist Rally for the Republic and the Union for French Democracy, announced a joint political platform for sweeping denationalization of the economy, which they pledged to quickly implement if elected.

Although the tone of the platform was far more moderate than earlier drafts, the conservative leaders for the first time identified the industrial companies they would return to private ownership, all of which were nationalized by the Socialist government in 1982.

These include Pechiney, a metallurgical company; Thomson SA, France's largest electronics company; Cie. Saint-Gobain, a diversified manufacturer of industrial products; Cie. Generale d'Electricite, France's largest maker of electric equipment; the Bull computer group and Rhone-Poulenc SA, France's largest chemical-textile company.

According to executives, each of these companies already has drafted plans for selling its shares on the Bourse, including those created by new capital increases. Banks and insurance companies targeted for denationalization are said to have done the same.

Lolk Le Floch-Prigent, chairman of Rhone-Poulenc and a staunch Socialist, caused a stir in Paris business circles on Tuesday

by telling financial writers that he favored a partial privatization of his company.

"There is no doubt that there will be another substantial increase in trading volume this year," said Jean-Pierre Finat, a Paris broker. He said the planned denationalizations would "play a very positive and important role."

"This is now a market of the opposition," said Eduardo Yrarraval, representative of Falmesstock & Co., a New York brokerage firm, referring to the political opposition.

"Much remains to be reformed here, but many Americans now are investing here because they are convinced that business will be better off than under the Socialists," he said.

No figures were available to support this contention.

The Bourse still has a long way to go in matching most of its main competitors in Western Europe and in Asia, many of which are moving toward computerized global trading.

"It is true some reforms are under way here," said Mr. Yrarraval, "but Paris still cannot match New York, London, Singapore or other important exchanges because of the traditional limitations here."

Mr. Yrarraval and other U.S. brokers interviewed cited two major problems in Paris: Most trading is limited to two

(Continued on Page 9, Col. 2)

Further Effort To Curb Dollar Agreed by G-5

Compiled by Our Staff From Dispatches

LONDON — Finance ministers and central bankers of the five leading industrial nations agreed Sunday to pursue their four-month effort to hold down the value of the dollar on currency markets.

A communiqué issued after two days of talks said the officials from the United States, Britain, France, West Germany and Japan had "agreed that their cooperation should continue and that the progress which had been made should not be reversed."

The governor of the Bank of Japan, Satoshi Sumita, told reporters in a later interview that "coordinated action will be taken further from now on."

Official sources, who declined to be identified, said the representatives at the meeting of what is called the Group of Five had rejected a Japanese proposal for coordinated reductions in interest rates.

A cut in rates, also backed by France, would help speed up global economic growth and provide relief for hard-pressed debtor nations. But it would also require closer coordination of fiscal and monetary policy by the five nations, a difficult arrangement to reach.

Financial analysts said the communiqué, in its determination to maintain progress in restraining the dollar, was a signal to currency traders not to risk buying too many dollars when foreign exchange markets reopened Monday.

After the communiqué was issued, a senior foreign exchange dealer in London said it indicated "that the dollar seems to be safe at its current level."

Another trader said, "I cannot see the dollar and interest rates declining as a result" of the meeting of the Group of Five, or G-5.

The finance ministers announced on Sept. 22 in New York that they had agreed to coordinate intervention on currency markets to drive down the value of the dollar.

The strength of the currency, partly fueled by persistent U.S. budget deficits, had exacerbated the U.S. trade deficit, particularly with Japan, and raised calls in Congress for protectionist measures.

After the announcement, the dollar fell by about 10 percent. It is now trading about 20 percent lower than its levels of a year ago.

This weekend's meeting was held at the official residence of Britain's Chancellor of the Exchequer, Nigel

Ministers Discuss Tin Trade Crisis

Reuters

LONDON — Nigel Lawson, Britain's chancellor of the Exchequer, tried to convince his counterparts from West Germany and France of the need to resolve the world tin crisis when they met at the Group-of-Five session, sources at the meeting said Sunday.

One source said the talks could help set the tone for discussions among European Community finance ministers in Brussels on Monday, where the topic is expected to be raised.

France and West Germany have objected to the latest proposal to enable a resumption of tin trading, which has been suspended since Oct. 24 on the London Metal Exchange. The plan calls for a company to be created with risk capital of £270 million (\$387.7 million) to buy 85,000 tons of tin.

Lawson. The full agenda was not revealed.

However, sources said the G-5 officials also discussed a proposal made last October by the U.S. treasury secretary, James A. Baker 3d, calling for more leading to debt-burdened Third World Countries. The five expressed satisfaction with the proposal, the sources said.

On the interest-rate issue, one source said the Japanese proposal for coordinated action to lower rates was now "off the table."

The sources said the five decided that prospects for economic and monetary stability in their countries were good and would contribute to a favorable environment for lower interest rates.

The interest-rate issue is a delicate one for governments' dealings with world money markets, where the possibility of a concerted interest-rate move — first mentioned last week by West Germany's economics minister, Martin Bangemann — helped raise gold and bond prices. The dollar was mixed in trading last week.

The Bank of Japan governor, Mr. Sumita, said he did not expect U.S. interest rates to fall soon.

(Reuters, AP)

Uncertainty Over U.S. Rates Slows Efforts to Lure Buyers

By CARL GEWIRTZ

International Herald Tribune

PARIS — Efforts to find a level to induce investors back into the Eurobond market met with little success last week because investors remained uncertain about the direction of U.S. interest rates. Those who were willing to bet that the weekend meeting of the Group of Five, the finance ministers of the leading industrialized countries, would produce results to drive rates lower tended to put their money into U.S. Treasury securities rather than into Eurobonds.

The Treasury market is more volatile, meaning that a drop in rates should produce a bigger increase in prices.

The former New York prices encouraged dealers to mark up Eurobonds, but there was no solid demand behind this technical response.

Bankers say that investors here are very wary about Washington's ability to maneuver rates downward in light of the huge federal budget deficit and the continuing need to finance the current-account deficit, which is still widening.

Equally important is European investors' concern about what would happen to the value of the dollar even if interest rates are cut.

A year ago, exchange-rate worries were cushioned by the much higher yield of Eurodollar bonds relative to the alternate currencies.

But the premium of 4 to 5 percentage points that Eurodollar bonds then paid over Deutsche mark paper has now been cut in half, and the current 2 1/2-point gain in coupon income is clearly regarded as insufficient insurance against the potential loss in currency value.

As a result, the Eurodollar issues launched last week languished. The only exception was the \$125-million, five-year paper from Saab-Scania. Measured against the U.S. Treasury market, the paper was offered at a premium of 88 basis points, or .88 percent, including the front-end fees of 1 1/2 percent.

AGAINST THE DM MARKET, the paper offered an additional yield of 3 percentage points. The notes ended the week trading at a discount of 1 1/2 points.

In sharp contrast was Italy's \$200 million of five-year notes, offered at par with a coupon of 8 3/4 percent. This was Italy's first sale of fixed-coupon Eurodollar bonds. The proceeds were swapped into floating-rate money at a cost estimated at 45 basis points below the London interbank offered rate.

Including the front-end fees of 1 1/2 percent paid to underwriters, the terms represented a cost of money to Italy of 20 basis points more than comparable Treasury yields. Chemical Bank, acting as a lead manager for the first time in four years, said the terms were "tight, but right."

The second part of that statement was disputed. A Chemical spokesman denied market rumors that the bank had been forced to repurchase a substantial part of the issue to shore up the price in the secondary market, saying that only \$25 million had been taken in.

Late Friday, a small \$50-million issue was launched by Federal Business Development Bank, a Canadian crown corporation, bearing even more aggressive terms — an 8 3/4-percent coupon for seven years. The pricing represented a cost of funds of five basis points below U.S. Treasury paper — a discount not seen in months.

However, because prices eased in New York, the terms at the end of trading on Friday were equivalent to 8 basis points over the yield on Treasury paper.

The most complicated issue of the week was Nordic Investment Bank's \$100 million of 10-year warrant bonds. The callable bonds were issued at 100 1/4 bearing a coupon of 9 1/2 percent. The warrants were offered at \$38.50.

The warrants — the first giving an option to buy a higher coupon bond than the host issue — can be used to buy a non-callable 10-year bond bearing a coupon of 10 percent.

As is standard, during the first five years the warrants can be exercised only by surrendering the callable bond.

During the first five years, when the warrant is exercised other than on a coupon payment date, investors would have to refund the difference between the interest accrued but not yet paid on the 10- and 9 1/2-percent bonds.

During the first year investors would have to make an additional cash payment of \$3.10 for each bond. This would erase the

(Continued on Page 9, Col. 1)

Last Week's Markets

All figures are as of close of trading Friday

Stock Indexes				Money Rates			
United States				United States			
DJ Index	1358.89	Prev. Wk.	1362.00	Discount rate	7 1/2 %	Prev. Wk.	7 1/2 %
S&P 500	1358.89	Change	+0.44	Federal funds rate	7 1/2 %	Change	+0.00
DJ Industrials	1727.5		+0.38	Prime rate	9 1/2 %		+0.00
DJ Transp.	716.64		+1.16	Japan			
S&P 500	282.24		+1.19	Discount	5	Prev. Wk.	5
S&P 500	282.24		+1.19	Call money	6 1/2 %	Change	+0.00
NYSE Comp.	120.23		+0.24	30-day interbank	7 1/16 %		+0.00
Europe				West Germany			
DAX 100	1294.00	Prev. Wk.	1289.00	Lombard	5.50	Prev. Wk.	5.50
FT 30	1118.70	Change	+0.34	Overnight	N.A.	Change	+0.00
Hong Kong				1-month interbank	N.A.		+0.00
Hong Kong	1804.86		+0.04	Bank base rate	12 1/2 %		+0.00
Hong Kong	1804.86		+0.04	Call money	12		+0.00
Japan				3-month interbank	12 1/2 %		+0.00
Nikkei 225	12009.70	Prev. Wk.	12049.20	Dollar			
West Germany				30-day interbank	N.A.	Prev. Wk.	N.A.
DAX 100	1294.00	Change	+0.34	3-month interbank	N.A.		+0.00
Other Dollar Values				6-month interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	1-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	2-year interbank	N.A.		+0.00
France	6.5458		+0.00	3-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	4-year interbank	N.A.		+0.00
Japan	163.26		+0.00	5-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	6-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	7-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	8-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	9-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	10-year interbank	N.A.		+0.00
Other Dollar Values				11-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	12-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	13-year interbank	N.A.		+0.00
France	6.5458		+0.00	14-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	15-year interbank	N.A.		+0.00
Japan	163.26		+0.00	16-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	17-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	18-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	19-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	20-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	21-year interbank	N.A.		+0.00
Other Dollar Values				22-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	23-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	24-year interbank	N.A.		+0.00
France	6.5458		+0.00	25-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	26-year interbank	N.A.		+0.00
Japan	163.26		+0.00	27-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	28-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	29-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	30-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	31-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	32-year interbank	N.A.		+0.00
Other Dollar Values				33-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	34-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	35-year interbank	N.A.		+0.00
France	6.5458		+0.00	36-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	37-year interbank	N.A.		+0.00
Japan	163.26		+0.00	38-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	39-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	40-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	41-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	42-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	43-year interbank	N.A.		+0.00
Other Dollar Values				44-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	45-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	46-year interbank	N.A.		+0.00
France	6.5458		+0.00	47-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	48-year interbank	N.A.		+0.00
Japan	163.26		+0.00	49-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	50-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	51-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	52-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	53-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	54-year interbank	N.A.		+0.00
Other Dollar Values				55-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	56-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	57-year interbank	N.A.		+0.00
France	6.5458		+0.00	58-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	59-year interbank	N.A.		+0.00
Japan	163.26		+0.00	60-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	61-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	62-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	63-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	64-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	65-year interbank	N.A.		+0.00
Other Dollar Values				66-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	67-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	68-year interbank	N.A.		+0.00
France	6.5458		+0.00	69-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	70-year interbank	N.A.		+0.00
Japan	163.26		+0.00	71-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	72-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	73-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	74-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	75-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	76-year interbank	N.A.		+0.00
Other Dollar Values				77-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	78-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	79-year interbank	N.A.		+0.00
France	6.5458		+0.00	80-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	81-year interbank	N.A.		+0.00
Japan	163.26		+0.00	82-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	83-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	84-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	85-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	86-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	87-year interbank	N.A.		+0.00
Other Dollar Values				88-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	89-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	90-year interbank	N.A.		+0.00
France	6.5458		+0.00	91-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	92-year interbank	N.A.		+0.00
Japan	163.26		+0.00	93-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	94-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	95-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	96-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	97-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	98-year interbank	N.A.		+0.00
Other Dollar Values				99-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	100-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	101-year interbank	N.A.		+0.00
France	6.5458		+0.00	102-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	103-year interbank	N.A.		+0.00
Japan	163.26		+0.00	104-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	105-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	106-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	107-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	108-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	109-year interbank	N.A.		+0.00
Other Dollar Values				110-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	111-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	112-year interbank	N.A.		+0.00
France	6.5458		+0.00	113-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	114-year interbank	N.A.		+0.00
Japan	163.26		+0.00	115-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	116-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	117-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	118-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	119-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	120-year interbank	N.A.		+0.00
Other Dollar Values				121-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	122-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	123-year interbank	N.A.		+0.00
France	6.5458		+0.00	124-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	125-year interbank	N.A.		+0.00
Japan	163.26		+0.00	126-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	127-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	128-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	129-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	130-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	131-year interbank	N.A.		+0.00
Other Dollar Values				132-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	133-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	134-year interbank	N.A.		+0.00
France	6.5458		+0.00	135-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	136-year interbank	N.A.		+0.00
Japan	163.26		+0.00	137-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	138-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	139-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	140-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	141-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	142-year interbank	N.A.		+0.00
Other Dollar Values				143-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	144-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	145-year interbank	N.A.		+0.00
France	6.5458		+0.00	146-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	147-year interbank	N.A.		+0.00
Japan	163.26		+0.00	148-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	149-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	150-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	151-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	152-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	153-year interbank	N.A.		+0.00
Other Dollar Values				154-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	155-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	156-year interbank	N.A.		+0.00
France	6.5458		+0.00	157-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	158-year interbank	N.A.		+0.00
Japan	163.26		+0.00	159-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	160-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	161-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	162-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	163-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	164-year interbank	N.A.		+0.00
Other Dollar Values				165-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	166-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	167-year interbank	N.A.		+0.00
France	6.5458		+0.00	168-year interbank	N.A.		+0.00
Italy	1.3663		+0.00	169-year interbank	N.A.		+0.00
Japan	163.26		+0.00	170-year interbank	N.A.		+0.00
Netherlands	2.2037		+0.00	171-year interbank	N.A.		+0.00
Sweden	4.6418		+0.00	172-year interbank	N.A.		+0.00
Switzerland	1.4845		+0.00	173-year interbank	N.A.		+0.00
United Kingdom	2.9591		+0.00	174-year interbank	N.A.		+0.00
West Germany	1.3663		+0.00	175-year interbank	N.A.		+0.00
Other Dollar Values				176-year interbank	N.A.		+0.00
Australia	1.4914	Prev. Wk.	1.4914	177-year interbank	N.A.		+0.00
Canada	1.2121		+0.00	178-year interbank	N.A.		+0.00
France	6.5458		+0.00	179-year interbank	N.A.		+0.00
Italy	1.3663		+0.00				

New Eurobond Issues

Compiled by Lawrence Deville from information supplied by European bond traders.

Issuer	Amount (millions)	Mat.	Coups. %	Price	Terms
FLOATING RATE NOTES					
Bank of Boston	\$250	2001	1/4	100	99.88 Over 3-month Libor. Maximum coupon 1998. Callable at par in 1989. Fees 0.425%. Denominations \$50,000.
Commerzbank Overseas Finance	\$100	1993	1/4	100	100.20 Over 3-month Libor. Noncallable. Each \$10,000 bond with 25 one-year warrants, priced at \$19.50 each, exercisable at par into 250 million DM of 6 1/2% noncallable bonds of 1993. Exchange rate to be set Feb. 6 or 97% of spot rate. Warrants ended the week of \$17. Fees 0.15%.
Fiat Finance & Trade	\$100	1991	0.09	100	99.85 Over 3-month Libor in the first year and then at 0.09 over 6-month Libor. Callable at par on any interest payment date. Each \$10,000 note with 10 one-year warrants, priced at \$45 each, exercisable at par into 250 million DM of 6 1/2% noncallable bonds of 1993. Exchange rate to be set Feb. 6 or 97% of spot rate. Warrants ended the week of \$32. Fees 0.20%.
National Bank of Hungary	\$100	2001	1/4	100	— Over 6-month Libor. Callable at par in 1993 and redeemable at par in 1993, 1995 and 1998. Fees 15%.
New Zealand	\$350	2001	libor	100	99.63 Interest pegged to the 6-month offered rate for Eurodollars. Callable at par in 1988. Fees 0.40%. Denominations \$10,000.
Woodside Financial Services	\$300	1997	libor	100	99.60 Interest pegged to the 3-month offered rate for Eurodollars. Callable at par in 1989. Fees 0.55%. Denominations \$10,000. Guaranteed by the Industrial Bank of Japan.
Austria	DM 600	1998	1/4	100	98.90 Over 6-month Libor. Maximum coupon 8%. Callable at par in 1991. Fees 0.75%.
European Community	ECU 350	1993	1-32	100	99.87 Over 3-month Libor. Callable at par in 1987. Sinking fund to start in 1991. Fees 0.15%.
FIXED-COUPON					
Crédit Lyonnais	\$200	1991	9	100%	98.63 Noncallable. Fees 15%.
Federal Business Development Bank	\$50	1993	8	100	98.00 Noncallable. Fees 15%.
Italy	\$200	1991	8 1/4	100	98.00 Noncallable. Fees 15%. Denominations \$10,000.
Nordic Investment Bank	\$100	1996	9 1/4	100 1/4	98.38 Callable at 101 1/4 in 1991. Also 100,000 warrants, priced at \$38.50 each, exercisable into a 10% noncallable bond of 1996. Used 1991, lower bond can be bought with warrants, but bond and additional cash, and after 1991, with cash only. Warrants redeemed from \$20 in 1987 to \$51 of maturity, ended the week of \$40. Fees 2%.
Philip Morris	\$200	1998	9 1/4	100 1/4	98.08 Callable at 101 in 1994. Fees 24%.
Procter & Gamble	\$200	1998	9 1/4	100 1/4	98.13 Noncallable. Fees 24%.
Scab Scania	\$125	1991	9 1/4	100 1/4	99.13 Noncallable. Fees 15%.
Industrial Development Bank of India	DM 100	1993	7	99 1/4	97.75 Callable at 101 in 1988. Fees 24%.
World Bank	DM 200	1992	6 1/4	99 1/4	— Noncallable private placement. Fees not disclosed.
Aéroport de Paris	FF 350	1993	10 1/4	100 1/4	99.00 Callable at 100 1/4 in 1991. Sinking fund in 1991. Fees 15%.
Mortgage Bank of Denmark	DK 100	1991	6 1/4	100	99.50 Noncallable private placement. Fees 15%.
Swedish Export Credit	DK 1,000	1993	9 1/4	100 1/4	98.63 Callable at 101 in 1991. Fees 15%. 300 million crowns issued now and 700 million reserved for top.
Industriekreditbank Finance	ECU 50	1993	8 1/4	100 1/4	98.25 Callable at par in 1990. Also 50,000 warrants exercisable at par into identical, noncallable bond. Lower bond can be bought with warrants plus host bond during the first four years, then with warrants and cash. Fees 15%.
C. Itoh	NZ\$ 25	1991	18	100 1/4	— Noncallable. Guaranteed by the Dai-ichi Kangyo Bank.
Denmark	NZ\$ 50	1989	17 1/4	100 1/4	98.25 Noncallable. Fees 15%.
Unilever Capital	NZ\$ 50	1989	17 1/4	100 1/4	98.75 Noncallable. Fees 15%.
Hydro Quebec	Y 10,000	1994	6 1/4	101 1/4	97.88 Noncallable. Fees 2%.
Philip Morris	Y 20,000	1991	6 1/4	100 1/4	98.88 Noncallable. Fees 15%.
Pastiponki	Y 20,000	1991	6 1/4	101 1/4	99.50 Noncallable. Fees 15%.
Westinghouse Credit	Y 15,000	1996	6 1/4	101 1/4	99.00 Noncallable. Fees 2%.
EQUITY-LINKED					
Kobe Steel	\$100	1991	5 1/4	100	100.50 Noncallable. Each \$5,000 bond with one warrant exercisable into company's shares at 182 yen per share and at 203.85 yen per dollar. Fees 25%.
Sumitomo	\$100	1991	open	100	103.00 Coupon indicated at 5%. Noncallable. Also warrants exercisable into company's shares at an expected 25% premium. Fees 25%. Terms to be set Jan. 20.
Tokai Chemical Industries	\$30	1991	open	100	102.50 Coupon indicated at 5%. Noncallable. Each \$5,000 bond with one warrant exercisable into company's shares at an expected 25% premium. Fees 25%. Terms to be set Jan. 20.
Kubota	Y 20,000	1991	open	100	99.50 Coupon indicated at 3%. Noncallable. Each bond with one warrant exercisable into company's shares at an expected 25% premium. Fees 25%. Terms to be set Jan. 20.

Uncertainty About U.S. Rates Slows Bond Market

(Continued from Page 7)

immediate value of switching from a bond paying 9 1/2 percent to one paying 10 percent.

At any time, holders can redeem the warrants at prices ranging from \$20 in the first year to \$51 at maturity. Thus, if the warrants were redeemed at maturity, a holder would have earned a 32-percent capital gain, about a 3-percent annual increase over the 10 years.

After five years, the warrants can be exercised only by putting up cash. By that time, the issuer has the right to call the 9 1/2-percent bonds. Normally, the call price is set, a severe handicap to investors because the price of the bond can never appreciate much beyond par.

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The warrants, which can be exercised for cash or by surrendering the FRN, carry a fixed exchange rate of 237.487 DM — a 3.5-percent discount from the spot dollar-DM exchange rate when the terms were set. The Commerzbank exchange rate will be set Feb. 6 at 3 percent below the average spot rate of the previous three days.

The warrants stand to gain in value from a drop in DM interest rates or an increase in the DM's value against the dollar, or both. They were considered to be overvalued at the initial offering price.

The European Community offered 350 million European currency units in seven-year notes bearing a coupon of 11/32 over the three-month interbank offered rate. This is the first leg of a 1.75-billion ECU

loan that the EC is raising on behalf of Greece. This was the largest ECU float yet, and bankers said the expansion of ECU money-market instruments was a welcome development.

The ECU market also had its first so-called harmless warrant bond issue last week. Industriekreditbank of West Germany issued 50 million units of eight-year bonds callable after 1990 with warrants to buy noncallable paper bearing identical terms.

The harmless warrant structure, which assures the issuer that no more than the initial amount of the offering will ever be outstanding, is not popular and the terms (an 8 1/4 percent coupon and an 8 1/4 percent price of 100 1/4) were regarded as too aggressive.

Another first last week was the first yen-denominated issue linked to equity. Kubota offered 20 billion yen of five-year notes, expected to carry a coupon of 3 percent, and bearing warrants to buy shares at a premium of 2 1/2 percent over the prevailing Tokyo quotation when terms are set on Jan. 20.

Four non-Japanese companies issued 65 billion yen of fixed-coupon bonds, swapping the proceeds into floating-rate dollars at a cost estimated at 50 to 60 basis points below Libor.

Euroyen and New Zealand dollar financing are currently the favored fodder to swap into floating rate dollars as they produce the cheapest floating-rate source of funds for borrowers.

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T-Bond Prices Drop Amid Nervousness On G-5 Talks

By H.J. Maidenberger

New York Times Service

NEW YORK — Nervousness over what the Group-of-Five industrial nations might do over the weekend about interest rates and a drop in prices Friday of Treasury bonds, on moderate but persistent selling.

With this nervousness, the bell-weather long Treasury issue, the 9 1/2 percent bonds of 2015, lost three-quarters of a point, to 104 13/32, and now yields 9.43 percent. Another result of the nervousness was heavy hedging in the Chicago and London Treasury bond futures and options markets Friday.

With the cash bond market closed Monday for the holiday honoring the Reverend Martin Luther King Jr., many traders and investors were also concerned that they would not be able to react quickly to any news.

"The pervasive nervousness over the weekend meeting and Monday bank holiday kept retail investors away," said Robert H. Schumacher, head of the government bond unit at Harris Trust and Savings Bank, Chicago.

The meeting also "sent many dealers and investment managers to hedge positions in the Chicago and London bond futures markets," Mr. Schumacher said.

Richard L. Sander, senior vice president at Drexel Burnham Lambert Inc. in Chicago, said: "Despite all the talk, no one really knows what the weekend meeting will produce, except that it could cause the credit and currency markets to react violently."

In the cash market, meanwhile, the discount rates on Treasury bills eased because of what dealers described as easy credit conditions. The overnight interbank lending rate, or federal funds, opened at 7 1/16 percent and was traded at 7 1/8 percent afterward.

Later Friday, the discount rate on the current 90-day Treasury bill was 7 1/16 percent, up four basis points; the companion six-month issue gained seven basis points at 7 1/8, and the one-year bill rate dipped a basis point, to 7 1/8 percent.

Through most of the postwar era, it has done so and prospered. In 1984 and 1985, recovery in the United States sucked in waves of Japanese products, and China, Japan's second-largest foreign market, went on a buying spree in its modernization program.

Sales abroad were also helped along by a weak yen. But 1986 is beginning with the yen 20 percent stronger than it was for most of last year. The dollar closed at 202.40

yen in Tokyo on Friday. Most Japanese companies are expecting the yen to stay strong and hurt their competitive position.

Even without the stronger yen, sales to the United States are expected to be down this year because of dampened growth there. In China, too, sales are expected to fall because of a political decision to cut down on imports.

Nomura is predicting that Japanese exports will fall by 0.2 percent in 1986 after rising by 17.5 percent in 1984 and 6.6 percent in 1985. It sees imports rising by about 1.4 percent in the coming 12 months.

Few economists expect that Japan's overall trade surplus, estimated at \$55 billion in 1985, will show any substantial decrease in 1986. Exchange-rate shifts take a year or more to start affecting these figures, they say.

Most economists, meanwhile, do not see domestic demand picking up the export slack. Programs to stoke the home economy have been implemented under pressure from abroad: Washington feels they would dampen exports. But they are not expected to have substantial effect.

That is because they consist largely of deregulation and other steps that are supposed to make the private sector more active. Prime Minister Yasuhiro Nakasone has budgeted a theme of his 3-year-old administration, and refuses to prime the pump with significant government spending.

Thus, in many economists' eyes, the government is chasing contradictory goals — speeding up the domestic economy while reining in government spending. Few people expect it to budget from austerity. "Domestic demand stimulation will be quite hard to achieve," says Masahiko Koido, chief economist of Sumitomo Bank.

Personal consumption will not rise by much, and private investment is expected to be sluggish as factories cut back on expansion programs because of the expectations on exports.

Inflation will remain low, at about 2 percent, it is expected. No one in Japan is in a panic about the slowdown. It is seen as part of a reaction to 1985's unusual showing, part a price to pay for correcting the trade surplus and restoring good relations abroad. In fact, some economists, like Sumitomo's Mr. Koido, see it as the start of a long-term transition away from an export-propelled economy to one that balances foreign and domestic sales equally.

There was also confusion over a recent statement by union leaders of the state oil company Petróleos Mexicanos. They told Mr. de la Madrid that Pemex is rapidly going broke and that it is overproducing to meet its export targets.

Several bankers said they had detected signs of more decisiveness in recent months, with the decision to join the General Agreement on Tariffs and Trade and the central bank's willingness to speed up its daily devaluation of the controlled peso rate.

There is also a series of measures to be announced next month, which are designed to increase exports. Among them is a decision to create a futures market for the controlled peso.

Thailand to Launch \$500-Million Refinancing

By Carl Gewirtz

International Herald Tribune

PARIS — With little new business launched last week, the focus of the international credit market was on the transactions that are about to be launched.

The biggest of these are renegotiations of existing lines to be refinanced at lower cost to the borrowers.

Thailand is expected to be first off the mark this week with a \$500-million multi-option facility enabling it to issue short-term Eurodollars. The facility will replace a \$200-million standby credit arranged in 1983 and a \$300-million credit signed in 1984.

Thailand is paying lenders an annual commitment fee of 1/4 percent for providing the lines, which run for eight years. To draw on the facility, the government would have to pay between 3/4 and 1/2 point over the London interbank offered rate, depending on how much was borrowed. The charge on the 1984 facility was 1/2 point over Libor regardless of the amount used.

Sweden, which in 1984 raised a \$4-billion multi-option facility on which it is paying an annual commitment fee of 1/4 percent, is about to renegotiate the terms. In fact, Sweden has used the facility as a backup for the sale of short-term notes, of which less than \$1.5 billion have been issued.

Thus, Sweden may not need a \$4-billion line of credit and certainly can expect to pay less now than the best borrowers can pay only a thin 5 basis points as an annual commitment, or underwriting fee.

Also expected this week is a financing of up to \$600 million for SNCF, the French state railroad. It is reported to have run into very stiff resistance from bankers over the level of fees they are to be paid.

ENEL, the Italian state electricity utility, is in the market offering new terms on what remains of a \$500-million, eight-year loan signed in 1981. Outstanding under that loan is \$180 million and 120 million Canadian dollars, on which it is paying a margin based on the prime rate of U.S. and Canadian banks.

The remaining money is to be transformed into an eight-year loan on which it will pay 45 basis points over the certificate of deposit rate for the U.S. dollar portion and 1/2 point over the Canadian dollar Libor.

A similar operation is underway for the \$116 million that remains outstanding on a \$150-million loan guaranteed 60 percent by IMI and 40 percent by Isveimir, two Italian state credit agencies. Terms on the remaining four-year portion of the loan, amounting to \$61.5 million, were 1/2 point over Libor and 1/2 point over the prime rate. This has now been cut to 1/4 point over Libor.

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Slower Growth Is Forecast for Japan

By John Burgess

Washington Post Service

TOKYO — The Japanese economy is expected to lose some steam in 1986, as slack demand and the appreciation of the yen begin to take their toll on exports while the government sticks to fiscal austerity at home.

Official projections of inflation-adjusted growth of about 4 percent are being dismissed as wishful thinking by many private-sector economists. They suggest 3 percent or lower will be closer to the mark.

In 1985, growth came to about 4.5 percent, the decade's highest, fueled by strong foreign sales. But Kazuo Toyoda, economist at Nomura Research Institute, echoed a view common among his colleagues when he said: "The Japanese economy can't continue to depend on exports for the next year's growth."

Through most of the postwar era, it has done so and prospered. In 1984 and 1985, recovery in the United States sucked in waves of Japanese products, and China, Japan's second-largest foreign market, went on a buying spree in its modernization program.

Sales abroad were also helped along by a weak yen. But 1986 is beginning with the yen 20 percent stronger than it was for most of last year. The dollar closed at 202.40

yen in Tokyo on Friday. Most Japanese companies are expecting the yen to stay strong and hurt their competitive position.

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Most economists, meanwhile, do not see domestic demand picking up the export slack. Programs to stoke the home economy have been implemented under pressure from abroad: Washington feels they would dampen exports. But they are not expected to have substantial effect.

That is because they consist largely of deregulation and other steps that are supposed to make the private sector more active. Prime Minister Yasuhiro Nakasone has budgeted a theme of his 3-year-old administration, and refuses to prime the pump with significant government spending.

Thus, in many economists' eyes, the government is chasing contradictory goals — speeding up the domestic economy while reining in government spending. Few people expect it to budget from austerity. "Domestic demand stimulation will be quite hard to achieve," says Masahiko Koido, chief economist of Sumitomo Bank.

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There was also confusion over a recent statement by union leaders of the state oil company Petróleos Mexicanos. They told Mr. de la Madrid that Pemex is rapidly going broke and that it is overproducing to meet its export targets.

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OTC consolidated trading for week ended Friday

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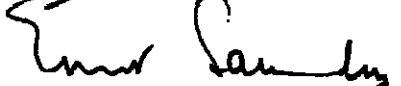
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OTC Consolidated trading for week ended Friday.

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Guinness is good for shareholders

OTC Consolidated trading for week ended Friday

(Continued from Page 11)

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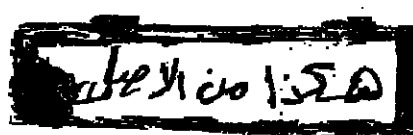
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SPORTS

4 World Track Records Set in U.S.

Compiled by Our Staff From Dispatches
LOS ANGELES — The Sunkist Invitational got the U.S. indoor track season off to a sensational start, with four athletes coming up with world-record performances.

• Billy Olsen, 27, 19 feet, 3 1/4 inches (5.88 meters) Friday night to regain the world indoor pole vault mark he'd lost to Sergei Bubka of the Soviet Union two days earlier.

• Hurdler Greg Foster bettered a mark that had been set by his old nemesis, Renaldo Nehemiah, with a 5.88-second clocking in the 50-yard hurdles.

• Triple jumper Charlie Simpkins bounded 57 feet 5 inches, farther than any man had gone before indoors.

• Johnny Gray rewrote his own 880-yard standard with a blazing 1:46.8 clocking. Olsen, all but written off after disappointing campaigns in 1984 and most of 1985, had broken through again with a world indoor best of 19-2 1/4 late last month in Canada. But Bubka topped that with a 19-3 1/4 Wednesday in Japan.

"It didn't matter that he had set a world record in Japan because I came here with the intention of setting a record anyway," said Olsen, who cleared 19-3 1/4 on his third and final try at the height. The bar jiggled gently before setting back on its supports. Olsen fell into the pit and the crowd of 12,602 gave him a rousing ovation.

He said an American vaulter, Joe Dial, who was at the meet in Japan, had related that Bubka commented, after going 19-3, "Tell Billy Olsen 'take that.'"

"Well," Olsen said with a grin, "Here's a present for you, Sergei."

The 27-year-old Olsen, who now has raised the indoor world vaulting record on nine different occasions, said his rivalry with Bubka was a friendly one. "It's not the United States vs. the Soviet Union," he said. "Sergei's my friend—I think he likes me. We're both just trying to win."

Bubka and Olsen will compete head to head in an indoor meet here Feb. 21.

Said Foster after bettering Nehemiah's record 5.92, set in 1982: "I'm still competing in track to break the indoor and outdoor records of Renaldo Nehemiah. I'm running now for world records. I'm not concerned about my win-loss record." Last year, Foster broke Nehemiah's record for the 50-meter hurdles with a time of 6.35 seconds.

Foster no longer can compete directly against Nehemiah, the wide receiver with the San Francisco 49ers who tried for amateur reinstatement but was turned down by IAAF. When Nehemiah signed his pro football contract in 1982, Foster became the world's top high hurdler. But he was upset by Roger Kingdom in the Olympics final, his only loss of 1984.

Foster was after another Nehemiah record in the 60-yard race shortly after he won the 50. But he was disqualified after two false starts, the first one called against the field. "The start I had in the 50-yard race was the best I've ever gotten," he said, implying that he might have had a "flyer," track vernacular for a false start.

Mark McKay of Canada finished second in the 50-yard high hurdles, in 5.96. Miller Stewart was third in 6.01. After Foster was disqualified in the later hurdles, Stewart won with a time of 7.09, followed by Tomie Campbell at 7.13 and

Andre Phillips at 7.16. Nehemiah's world best is 6.82.

Simpkins, a 22-year-old Baptist College student in South Carolina, said after sailing three and a half inches past the previous record, set by Willie Banks in 1982, said, "I didn't know I was going to break the record. Afterward, Willie came over and said, 'Charlie, what's got into you?' I said, 'I've just got to get you to come out here and jump against me.'"

Gray lowered his standard of 1:46.9, which he set last year. "I predicted a world record," he said. "I wanted to be in a pressure situation and test myself." Gray's was a blistering, front-running victory. He steadily increased his lead over Earl Jones and was ahead by at least 12 yards at the finish.

Along with the records, there was a stunning upset. Ireland's Marcus O'Sullivan beat his countryman, Eamonn Coghlan, in the mile with a clocking of 3:58.37 (Coghlan finished in 3:58.37).

Coghlan, the world indoor record holder, hadn't lost an indoor mile since Feb. 21, 1981. He had won 15 straight while not competing in 1982 and 1984.

Steve Scott, who was expected to challenge O'Sullivan and Coghlan, had to withdraw because of flu.

Other winners included Jarmila Kratochvílová of Czechoslovakia (the women's 880-yard race in 2:06.08), Valerie Beiswenger-Hooks (the women's 300 in 34.21), Jimmy Howard (the men's high jump at 7-foot-7) and Doug Padilla (the men's 2 miles in 8:28.59).



Hurdler Greg Foster
"I'm running now for world records."

Lendl Tops Becker in Final

Compiled by Our Staff From Dispatches
NEW YORK — Ivan Lendl convincingly withstood the latest challenge to his tennis supremacy Sunday, crushing Boris Becker in straight sets to win the Masters tournament.

After losing to John McEnroe in the previous two finals, Lendl whipped Becker, 6-2, 7-6 (7-1), 6-3, to reign as Masters champion for the third time and solidify his No. 1 ranking worldwide.

By winning the \$100,000 first prize, Lendl brought his official 1985 earnings to just under \$2 million. Since the start of the U.S. Open, Lendl has won only one of 36 matches. "I felt I was a little bit quicker and I was more consistent," Lendl said. "He made more unforced errors than I did."

At the oncourt presentation ceremony, Lendl turned to Becker and said, "You're only 18. I had to wait until I was 25 [to be No. 1]. Your day will come."

True to form, Becker took several acrobatic dives during the match, and in the third game of the final set he crashed over a forehand and falling. After Lendl gave him a hand getting up, Becker took an injury timeout and needed treatment for a bleeding right knee.

Becker then won three straight games to draw even at 3-3. But Lendl made the decisive break in the eighth game by sending a sharp forehand directly at Becker. The West German could barely get his racket on the ball; Lendl then closed out the match at love.

Making the fourth successive year the Masters final has been decided in straight sets, this confrontation between Becker, the 1984 Wimbledon champion, and the U.S. Open champion was somewhat disappointing. It was Lendl's sixth consecutive appearance in the Masters final, while Becker qualified for the season-ending championship for the first time.

Becker had gained the final on Saturday by beating Anders Jarryd of Sweden, 6-3, 6-4, while Lendl ousted Andre Gomek of Ecuador, 6-4, 7-5.

Lendl broke Gomek's service to begin the match. He held serve at love, beginning with the first of his

11 aces. Gomek lost his serve again in the fifth game, double-faulting at break point, and when Lendl held for a 5-1 lead it appeared he would easily beat the powerful left-hander.

But Gomek then matched Lendl stroke for stroke, power for power, slice for slice and broke at love in the eighth game, when Lendl was serving for the set. When Gomek held his serve at love, it was 5-4.

Lendl cut short that comeback by racing to a 40-love lead, then, after dropping a point, ended the set with a service winner.

The next 10 games were evenly played. Then Gomek's fifth double-fault gave Lendl a chance win the match on his serve.

It was to be the longest game of the match, a 14-point struggle that had both racers about making seemingly impossible returns. At 40-15, Lendl had double-match point, but Gomek saved both.

Two games later, Lendl reached match point for a third time. And for a third time Gomek rose to the challenge, winning a stirring exchange when Lendl's forehand drop volley was just wide.

After Lendl double-faulted, Gomek had the advantage. But he could not reach a forehand and slid deep into the corner and that brought the game back to Lendl.

Lendl's 10th ace gave him his fourth match point. And after an hour and 40 minutes it ended with Gomek netting the service return.

Becker, rated sixth in the world, won six straight games to close out his first set and take a 1-0 lead in the second. When Jarryd, ranked No. 8, lost his serve in the fourth game, and Becker, aided by two of his seven aces, held in the fifth for a 4-1 lead, it appeared he would breeze to victory.

But Jarryd stayed off match point to hold serve in the ninth game, closing to 5-3. Then, in a 14-point game that went to deuce four times, he broke Becker's service.

That was Jarryd's last hurrah, however, as Becker lofted a beautiful forehand lob that caught the Swede at the net. Jarryd turned and toward his next serve as the ball bounced gently on the carpet.

Becker took a love-30 lead on a hard-hit cross-court forehand that Jarryd got his racket on but could not control. Jarryd won the next point, then double-faulted for the fourth time in the match, giving Becker his second match point.

When Jarryd netted a backhand, Becker was in the final.

In straight-set matches Friday, Lendl had beaten Tim Mayotte and Jarryd topped Brad Gilbert to complete the semifinal field. (UPI, AP)



Ivan Lendl
"Quicker and more consistent."

England, Scotland Win Openers on Penalty Goals

By Bob Donahue
International Herald Tribune

LONDON — Rugby's showcase drama, the annual Five Nations serial, opened Saturday as farce. Kickers broke records for penalty goals as England beat Wales, 21-17, and Scotland upset France, 18-17.

The first of the tournament's five Saturdays produced a single-day record 17 penalty goals and only three tries—an unheard-of ratio of almost 6-to-1. The only tries were scored by losers; the winners at both packed stadiums owed victory to penalty-goal margins (6-2 at Murrayfield in Edinburgh and 6-3 at Twickenham).

"My goodness me, there's something wrong somewhere," Rhys Williams thought to himself early in the last quarter when the score

was 15-12, England. "What an amazing game! Here we have 27 points on the board and they are all from kicks. Can't we let the damn thing develop?"

Williams is chairman of the making International Board. Talking about his frustration, he made a point of exonerating Australian Bob Fordham for the lack of flow, seeing there was no reason to suppose that a British referee would have fared any better.

Both sides said the match was clean. "The game was played in a tremendous spirit," said England's coach, Martin Green.

But Williams summed up: "The laws are killing the game." The omens had been positively rapturous. Both teams took the risk

FIVE NATIONS RUGBY

of fielding attack-minded new backs. Wales signaled its determination to keep things clean by leaving out its best player, lincous specialist Robert Norster, merely because he had been sent off in a club match. A morning rain was forgotten, the temperature rose from cold to fresh and the Twickenham crowd of 62,000 seemed even more good-humored than usual.

Chatting with friends, Max Boyce, the Welsh comedian and folk hero, said he was puzzled by a strong premonition of "something momentous." Out on the field, strutting redcoats of the Duke of Wellington's Regiment played a jaunty version of Beethoven's "Ode to Joy."

The teams ran on. The crowd had scarcely stilled when Rob Andrew booted a 54-meter (177-foot) penalty goal in the third minute. The 22-year-old flyhalf went on to kick all 21 of England's points.

After Wales took the lead, 18-15, Andrew evened the score in the 34th minute of the second half with his sixth penalty goal, equaling the International Board record.

Lead coolly by scrumhalf Nigel Melville, England dominated. Wales without Norster had no answer in the lineup to 6-foot-8 Wade Dooley. England looks Dooley and Maurice Colclough steadied the scrum, England's props stood up to Welsh punishment and its loose forwards kept pace with the Welsh back row.

Two minutes into extra time, fullback Huw Davies scampered to within goal range of the Welsh line. Melville took the ball from a maul and Andrew scooted rightward, changed his mind and pivoted to drop-kick the winning points left-footed.

Wales got the only try, center Blednydd Bowen darting over to cap a prolonged drive that would have knocked out less resilient English teams of recent years. Paul Thorburn's conversion, after his three penalty goals, gave him 11 points for the day. Flyhalf Jonathan Davies had dropped a goal in the first quarter.

It was England's first victory



Flyhalf Rob Andrew: All 21 of England's points against Wales.

Wirsberger Wins 4th Straight Race; Frommelt, Schneider Also Triumph

Compiled by Our Staff From Dispatches

WIRTSBERGER, Austria — Peter Wirsberger, conquering an icy course, won his fourth straight World Cup men's downhill race Saturday, leading Austrian teammate Erwin Resch to a repeat of the previous day's 1-2 finish.

On Sunday, Paul Frommelt of Liechtenstein won a men's slalom in which two Yugoslavians were disqualified and in Oberstdaufen, West Germany, Vreni Schneider of Switzerland posted the fastest time in both runs to win her second women's giant slalom this season.

Wirsberger, the victor Friday in the first of the weekend's downhill doubleheader, clocked 2 minutes and 2.04 seconds with Resch right behind in 2:02.19.

Michael Mair of Italy, the winner of both pre-race training runs, came down the 2,820-foot (860-meter) drop on the Streif course in 2:02.52 to beat out Switzerland's Franz Heinzer (2:03.10) for third place.

"I can't believe I've won four straight," said Wirsberger, 27, after he crossed the finish line on the Hahnenkamm mountain. "I really don't know how I did it—the course was much more icy than Friday, especially at the top."

Wirsberger also won in December at Val Gardena, Italy, and at Schladming, Austria.

On Sunday, Frommelt edged Sweden's Ingemar Stenmark by a full second on a 68-gate slalom runs on the Wilder Kaiser course. Rok Petrovic and Bojan Krizic of

WORLD CUP SKIING

Yugoslavia missed gates on the first run and were disqualified after the jury reviewed videotapes. Petrovic had clocked the fastest time, followed by Krizic and Frommelt.

Frommelt finished with an aggregate 1:43.13. Stenmark clocked 1:43.14 with Andreas Wenzel of Liechtenstein and Dietmar Kohlbieler of Austria tied for third at 1:43.62.

The race was run through drifting fog with soft, heavy snow from a Saturday night storm clogging the course.

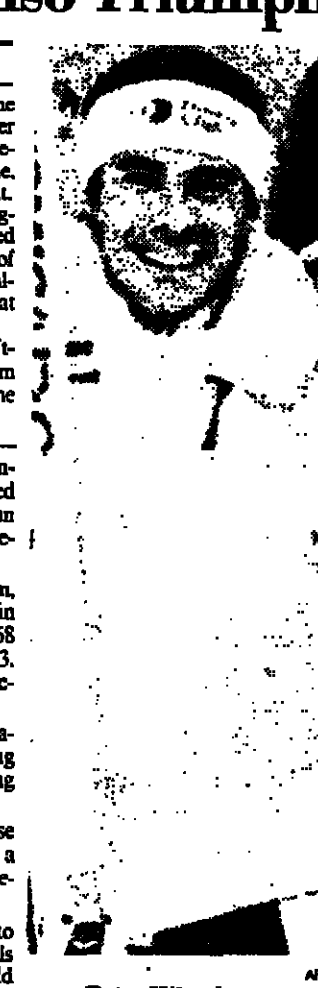
More than 30 of the 96 entries—the field was swollen by downhillers competing for combined points—went out in the first run and rain started falling shortly before the second run.

In the women's giant slalom, Schneider, 21, made her first run in 1:06.85 and the second in 1:07.68 for a winning aggregate of 2:14.53. It was her fourth World Cup victory, all in the giant slalom.

Michaela Gerg of West Germany kept the Swiss from sweeping the top four places by finishing second in 2:15.45.

Both runs on the Staufen course were marked by 43 gates with a vertical drop of 2,487 feet (758 meters).

Organizers of the race had to harden the course with chemicals after heavy overnight rain and mild temperatures had jeopardized the competition.



Peter Wirsberger
"I really don't know how I did it."

SCOREBOARD

Basketball

National Basketball Association Standings

10. Assistants: Boston 37 (Aimee 12), Atlanta 38 (L. Johnson 7), 34 38 37 32-112
New York 37 (Cook 8), Washington 34 (Wood 8), Denver 37 (L. Johnson 7), 34 38 37 32-112

Central Division
Milwaukee 37 (L. Johnson 7), 34 38 37 32-112
Detroit 37 (L. Johnson 7), 34 38 37 32-112
Cleveland 37 (L. Johnson 7), 34 38 37 32-112
Chicago 37 (L. Johnson 7), 34 38 37 32-112

Western Conference
Houston 37 (L. Johnson 7), 34 38 37 32-112
Denver 37 (L. Johnson 7), 34 38 37 32-112
San Antonio 37 (L. Johnson 7), 34 38 37 32-112
Utah 37 (L. Johnson 7), 34 38 37 32-112
Sacramento 37 (L. Johnson 7), 34 38 37 32-112

Pacific Division
Los Angeles 37 (L. Johnson 7), 34 38 37 32-112
Portland 37 (L. Johnson 7), 34 38 37 32-112
Seattle 37 (L. Johnson 7), 34 38 37 32-112
San Diego 37 (L. Johnson 7), 34 38 37 32-112
Golden State 37 (L. Johnson 7), 34 38 37 32-112

FRIDAY'S RESULTS
Boston 37 (L. Johnson 7), 34 38 37 32-112
New York 37 (Cook 8), Washington 34 (Wood 8), Denver 37 (L. Johnson 7), 34 38 37 32-112

SATURDAY'S RESULTS
Seattle 37 (L. Johnson 7), 34 38 37 32-112
Houston 37 (L. Johnson 7), 34 38 37 32-112
Denver 37 (L. Johnson 7), 34 38 37 32-112
San Antonio 37 (L. Johnson 7), 34 38 37 32-112
Utah 37 (L. Johnson 7), 34 38 37 32-112
Sacramento 37 (L. Johnson 7), 34 38 37 32-112

Selected U.S. College Scores
FRIDAY'S RESULTS
Boston 37 (L. Johnson 7), 34 38 37 32-112
New York 37 (Cook 8), Washington 34 (Wood 8), Denver 37 (L. Johnson 7), 34 38 37 32-112

SATURDAY'S RESULTS
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Houston 37 (L. Johnson 7), 34 38 37 32-112
Denver 37 (L. Johnson 7), 34 38 37 32-112
San Antonio 37 (L. Johnson 7), 34 38 37 32-112
Utah 37 (L. Johnson 7), 34 38 37 32-112
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Selected U.S. College Scores
FRIDAY'S RESULTS
Boston 37 (L. Johnson 7), 34 38 37 32-112
New York 37 (Cook 8), Washington 34 (Wood 8), Denver 37 (L. Johnson 7), 34 38 37 32-112

SATURDAY'S RESULTS
Seattle 37 (L. Johnson 7), 34 38 37 32-112
Houston 37 (L. Johnson 7), 34 38 37 32-112
Denver 37 (L. Johnson 7), 34 38 37 32-112
San Antonio 37 (L. Johnson 7), 34 38 37 32-112
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European Soccer

ENGLISH FIRST DIVISION

Birmingham & Everton 2
Cardiff & Wolves 2
Leicester 2 Arsenal 2
Liverpool 2 West Ham 1
Luton 2 Aston Villa 0
Queens Park Rangers 2 Newcastle 1
Sheff Wed 2 Oxford 1
Sheff Utd 2 Ipswich 0
Tottenham & Manchester City 2
West Bromwich & Chelsea 2
Wolves 2 Luton 2
Wolves 2 Luton 2
Wolves 2 Luton 2
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Cardiff & Wolves 2
Leicester 2 Arsenal 2
Liverpool 2 West Ham 1
Luton 2 Aston Villa 0
Queens Park Rangers 2 Newcastle 1
Sheff Wed 2 Oxford 1
Sheff Utd 2 Ipswich 0
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